Interlocutory Appeal Exhibits

<u>Description</u>	<u>Page</u>
Email of Bruce Burcat, September 18, 2014	2
Order 8603 on Intervention	5
Firestone 1st Discovery Request, July 31, 2014	10
Commission Order 8616, with Scheduling Order attached	26
Email of Todd Goodman, discovery agreement, August 7, 2014	36
Joint Applicants' Response to Firestone 1st Discovery Request	38
Order 8624 regarding Firestone 1st Motion to Compel	80
Staff email regarding Order 8621 and Delafile, August 26, 2014	87
Email from Delafile, Firestone subscribed, August 29, 2014	89
Motion for Reconsideration of Order 8624	91
Hearing Examiner email regarding Motion and Staff email, Sept. 9	95
Joint Applicants Opposition to Motion for Reconsideration	97
Todd Goodman email regarding lack of notice of Order 8624, Sept. 9	118
Firestone 2 nd (Follow-up) Discovery Request, August 29, 2014	121
Firestone Motion to Compel regarding 2 nd Discovery Request	142
Joint Applicant to Hearing Examiner on 2 nd Motion to Compel, Sept. 11	183
Joint Applicants' Response to 2 nd Discovery Request	186
	Email of Bruce Burcat, September 18, 2014 Order 8603 on Intervention Firestone 1st Discovery Request, July 31, 2014 Commission Order 8616, with Scheduling Order attached Email of Todd Goodman, discovery agreement, August 7, 2014 Joint Applicants' Response to Firestone 1st Discovery Request Order 8624 regarding Firestone 1st Motion to Compel Staff email regarding Order 8621 and Delafile, August 26, 2014 Email from Delafile, Firestone subscribed, August 29, 2014 Motion for Reconsideration of Order 8624 Hearing Examiner email regarding Motion and Staff email, Sept. 9 Joint Applicants Opposition to Motion for Reconsideration Todd Goodman email regarding lack of notice of Order 8624, Sept. 9 Firestone 2nd (Follow-up) Discovery Request, August 29, 2014 Firestone Motion to Compel regarding 2nd Discovery Request Joint Applicant to Hearing Examiner on 2nd Motion to Compel, Sept. 11

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Subject: Re: Docket 14-193-Proposed (Amended) Scheduling Order-Response Deadline

Dear Mr. Lawrence:

I believe Mr. McGonigle's response to you captures the level of importance and potential impact that this case will have on the State, as evidenced by the number of data requests filed in this case (he cites in his response) and the substantial weight of the issues being examined by these requests. This merger docket could likely be the most transformational case affecting the energy landscape in Delaware, since the last electric utility merger case in Delaware, when PHI merged with Conectiv in 2002. In actuality, it is MAREC's position that this merger will have a far greater consequences to the electricity market than the PHI/DP&L merger, given the breadth and size of the merger and the potential control that the surviving entity would be able to exert as a result of the transaction. So, yes it is very important not to "shoehorn" the hearing dates into the proposed schedule of the Applicants and the schedule they propose is an "insufficient amount of time" to give the Commission and the parties sufficient time to reasonably sort out the monumental issues raised by this matter. For perspective, MAREC notes that the earler merger case between PHI and Conectiv was filed on May 11, 2001 and a final order was not issued until April 16, 2002, over 330 days from filing to the Commission's final order in that matter (http://depsc.delaware.gov/orders/5941.pdf).

As far as the Applicant's concern over conflicts with scheduling, etc in the other jurisdictions, we do not think that their arguments are compelling, as the Applicants recommended schedule for hearings in this matter would be in direct conflict with a proposal for additional hearings and dates for discussions for the proceedings in the related NJ merger application under consideration in that matter, which we understand has not yet been opposed by the Applicants in that matter.

We repeat our support for the schedule proposed by the DPA.

Respectfully submitted,

Bruce Burcat Mid-Atlantic Renewable Energy Coalition

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)	
DELMARVA POWER & LIGHT COMPANY, EXELON)	
CORPORATION, PEPCO HOLDINGS, INC., PURPLE)	
ACQUISITION CORPORATION, EXELON ENERGY)	PSC Docket No. 14-193
DELIVERY COMPANY, LLC AND NEW SPECIAL)	
PURPOSE ENTITY FOR APPROVALS UNDER THE)	
PROVISIONS OF DEL. C. §§ 215 AND 1016)	
(Filed June 18, 2014))	

Order No. 8603

Omnibus Order Regarding Petitions to Intervene Filed to Date

AND NOW, this 5th day of August, 2014

WHEREAS, pursuant to PSC Order No. 8581 dated July 8, 2014, the deadline for filing Petitions to Intervene in this docket pursuant to Rule 1001-2.9 of the Commission's Rules of Practice and Procedure was Monday, July 28, 2014;

WHEREAS, in PSC Order No. 8581, the Commission ordered that, as the Hearing Examiner, I may grant a Petition to Intervene filed after the July 28, 2014 intervention deadline "only for good cause."

WHEREAS, excluding the Public Advocate which intervened on July 8, 2014 pursuant to its statutory right of intervention, on or before the July 28, 2014 intervention deadline, eight (8) entities or persons timely filed to intervene in this Docket, to wit: 1) Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor for PJM; 2) The Mid-Atlantic Renewable Energy Coalition; 3) The Sustainable Energy Utility, Inc.; 4) Jeremy Firestone; 5) NRG Energy, Inc.; 6) The State of Delaware Department of Natural Resources

and Environmental Control ("DNREC"); 7) Chesapeake Utilities Corporation; and 8) James Black, Executive Director, Partnership for Sustainability in Delaware.

WHEREAS, at the Scheduling Conference on July 30, 2014, all participating entities or persons, Commission Staff, the Public Advocate and I agreed on the record that, based upon the petitions, oral argument, and the reasonably expedited nature of this docket, I would grant all timely filed petitions to intervene in this Docket;

WHEREAS, Clean Air Council ("CAC") filed a Petition to Intervene Out-of-Time on July 31, 2014, along with the *Pro Hac Vice* Motion of Matthew P. Ward, Esq., a member in good standing with the Delaware Bar;

whereas, CAC's Petition to Intervene alleges that "[t]he Council and its members are actively involved in the protection of air quality and recognize that energy generation and fossil fuel transportation are major contributors to air pollution in Delaware and states throughout the region, including Pennsylvania and New Jersey. The Council has members in Delaware";

WHEREAS, CAC's Petition to Intervene CAC further alleges that "[t]he Council and its members are interested and concerned about the proposed merger's effect on Delaware's commitment to clean and renewable energy and the option for Delaware residents to purchase clean and renewable energy";

WHEREAS, on July 31, 2014, the Public Advocate's office objected to the untimely Motion to Intervene filed by CAC, arguing that: 1) CAC

 $^{^{1}}$ Most of these participants have pending *Pro Hac Vice* Motions which are scheduled to be heard by the Commission on August 5 or 19, 2014, depending on the Motion.

did not proffer any reason why current parties DNREC, the Mid-Atlantic Renewable Energy Coalition and Jeremy Firestone, would not adequately address the issues of renewable energy and clean air which CAC was seeking to address; and 2) without being excused, CAC failed to attend the Commission-ordered Scheduling Conference;

WHEREAS, DNREC, the Mid-Atlantic Renewable Energy Coalition, Chesapeake Utilities Corporation, and The Sustainable Energy Utility, Inc. did not object to CAC's participation, some stating CAC's participation would substantially benefit this docket, provided that CAC's late intervention did not interfere with the Scheduling Order established at the July 30, 2014 Scheduling Conference; the Applicants in this Docket stated that they did not take a position as to whether CAC should be permitted to intervene; and no other participating entity or person responded to my email asking whether they objected to my permitting CAC to intervene.

NOW, THEREFORE,

- 1. All nine (9) Petitions to Intervene filed to date in this Docket, including Clean Air Council's (CAC's) Petition to Intervene Filed Out-of-Time, are granted.
- 2. I find that "good cause" exists to permit CAC's late intervention. This is based upon: a) the content of CAC's Petition as described earlier herein; and b) all parties save one either seek that CAC be permitted to intervene, do not object to CAC's intervention, or in the case of the Applicants, do not take a position as to whether CAC should be permitted to intervene.

PSC Docket No. 14-193, Order No. 8603 Cont'd

3. All intervening parties are entered this day as parties of

record in this Docket. The Commission intends to enter Orders

regarding Pro Hac Vice Motions filed in this Docket at its August 5

and 19, 2014 meetings, depending on the Motion.

4. All interventions are based upon the posture of this Docket

as it currently stands with regard to any prior Commission orders and

the "Revised Merger Schedule" dated July 31, 2014.

5. The parties are cautioned that each must hereinafter

strictly comply with the Commission's Rules of Practice and Procedure,

as well as Commission Orders, the Revised Merger Schedule, and

regulations and statutes of the State of Delaware applicable to these

proceedings. This includes E-filing with the Commission.

Respectfully Submitted,

Mark Lawrence

Senior Hearing Examiner

cc: Service List for PSC Docket No. 14-193

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT COMPANY,)
EXELON CORORPATION, PEPCO HOLDINGS) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,)
EXELON ENERGY DELIVERY COMPANY, LLC)
AND SPECIAL PURPOSE ENTITY, LLC)
FOR APPROVALS UNDER THE PROVISIONS)
OF 26 Del. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

INTERVENOR JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO DELMARVA POWER & LIGHT COMPANY, PEPCO HOLDINGS, INC., EXELON CORPORATION, EXELON ENERGY DELIVERY COMPANY, LLC, AND SPECIAL PURPOSE ENTITY, LLC

Jeremy Firestone 130 Winslow Road Newark, DE 19711 302 831-0228 (office/day) jf@udel.edu Pro Se

Intervenor Jeremy Firestone, pursuant to Delaware Public Service Commission Rules and the Scheduling Order in this matter, hereby directs the following interrogatories and requests for production of documents.

INSTRUCTIONS

- 1. Each interrogatory solicits all knowledge and information that is available to Exelon or Pepco or obtainable through their agents, representatives, lobbyists, employees, investigators, attorneys, sureties, indemnitors, or any other person employed by or connected with it or subject to its control.
- 2. If an interrogatory has subparts, Exelon and Pepco must answer each subpart separately and in full and not limit its answers to the interrogatory as a whole.

- 3. If Exelon or Pepco cannot answer any interrogatory, or subpart thereof, to the extent possible, it is to explain why it is unable to answer further and state whatever information and knowledge it has regarding the unanswered portion.
- 4. If Exelon or Pepco objects to part of a discovery request and refuses to answer that part, Exelon shall state its objection and answer the remaining portion of the discovery. If Exelon or Pepco deems part, but not all, of any discovery request herein as objectionable or as calling for information that it claims is privileged or protected, then it shall provide all information, documents or things that respond to the parts or aspects of the discovery to which no objection or claim of privilege or protection is made. If, in response to these discovery requests, any ambiguity arises in construing any interrogatory, instruction or definition, or if any interrogatory, instruction or definition is considered vague, set forth the matter deemed ambiguous or vague and the construction used in responding.
- 5. In responding to these requests for production of documents, you are required to produce all documents, wherever located, in your possession, custody or control or otherwise available to you, including, without limitation, documents in the possession of your attorneys or their investigators, accountants, consultants, or associates whether past or present.
- 6. In the event a document, or portion thereof, is withheld for any reason, indicate the following information for each such withheld document, or portion thereof:
 - (a) The date of the document;
 - (b) The general character or type of document;
 - (c) The identity of the person in possession of the document;

- (d) The identity of the author of the document;
- (e) The identity of the recipient or holder of the document; and
- (f) The reason, including, but not limited to, any legal obligation or privilege for withholding the document, or portion thereof.
 - 7. These requests for interrogatories shall be deemed continuing, and if Exelon or Pepco directly or indirectly obtains further information, the answer to these Interrogatories must be supplemented to the maximum extent authorized by the law within a reasonable time after Exelon and/or Pepco receives the additional information.
 - 8. If any document is withheld under claim of privilege, the privilege involved shall be stated and each document shall be identified by type of document, date, author, subject matter, recipients, and relationship of author to recipient, and a description sufficient to allow the court to determine the propriety of the privilege claim.
 - 9. For the convenience of the parties, please restate in full the discovery request to which each response or answer relates.

DEFINITIONS

- 1. "Exelon," means Exelon Corporation and Exelon Energy Delivery Company, LLC, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers, commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.
- 2. "Pepco" means Pepco Holdings, Inc. and Delmarva Power & Light Company, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers, commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.

- 3. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 4. "BGE" means Baltimore Gas and Electric Company.
- 5. "CEG" means Constellation Energy Group.
- 6. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 7. "Person" means any natural person or any business, legal, or governmental entity or association.
- 8. The terms "person" or "persons" shall mean and refer to the plural as well as the singular of any natural individual, or any business, legal or government entity or association, including any firm, corporation, partnership, sole proprietorship, group, trust, estate.
- 9. "External cost" means any cost that a producer or a consumer imposes on another producer or consumer, outside of any market transaction between them. It includes any costs throughout the life-cycle, including exploration, mining, transportation, and generation of electricity, and includes health, environmental, social and welfare costs.
 - 10. "REC" shall mean "renewable energy credit.
 - 11. "SREC" shall mean a solar REC
- 12. "Green Pricing Program" shall mean a program that allows electric customers to pay a premium on their electric bill to have all or a portion of their power provided from renewable energy sources, whether such program is mandated by a government or an offer without legislation.
- 13. "BOEM" shall mean the Bureau of Ocean Energy Management (BOEM) in the Department of the Interior, and any of its predecessors, including Minerals Management Service (MMS).

- 14. "Identify," "identification" or "identity" as applied to a person means to provide:
- (a) When used in reference to a natural person: full name; present or last known business and residence addresses and telephone numbers; present or last known business affiliation; and present or last known business positions (including job title and a description of job functions, duties and responsibilities);
- (b) When used in reference to any entity other than a natural person: its full name; the address and telephone number of its principal place of business; the jurisdiction under the laws of which it has been organized or incorporated; the identity of all persons who acted and/or who authorized another to act on its behalf in connection with the matters referred to; in the case of a corporation, the names of its directors and principal officers; and
- (c) In the case of an entity other than a corporation, the identities of its partners or principals or all persons who acted or who authorized another to act on its behalf in connection with the matters referred to.
- 15. The terms "identify," "identification" or "identity" as applied to an oral communication means to provide the following information:
 - (a) By whom it was made and to whom it was directed;
 - (b) Its specific subject;
 - (c) The date upon which it was made;
 - (d) Who else was present when it was made; and
 - (e) Whether it was recorded, described or summarized in any writing of any type and, if so, the identity of each such writing in the manner indicated below.
- 16. The terms "identify," "identification" or "identity" as applied to a written communication or document means to provide the following information:

- (a) Its nature (e.g., letter, memorandum, telegram, note, drawing, etc.);
- (b) Its specific subject;
- (c) By whom it was made and to whom it was directed;
- (d) The date upon which it was made; and
- (e) Who has possession of the original copies.
- 17. "Communication" or "communications" means and refer to without limitation, any document, statement, or expression which constitutes, embodies, evidences or relates to any transmission of a word, statement, fact, thing, idea, writing, instruction, demand or question, whether oral or written, including but not limited to letters, telecopies, telexes, e-mails, voicemails, meetings, discussions, conversations, telephone calls, memoranda, conferences or seminars.
- 18. "Relating to" means containing, constituting, considering, comprising, concerning, discussing, regarding, describing, reflecting, studying, commenting or reporting on, mentioning, analyzing, or referring, alluding, or pertaining to, in whole or in part.
- 19. "Date" means the exact day, month and year, if ascertainable, or, if not, the best approximation (including relationship to other events).
- 20. The term "document" as used herein is employed in the broadest possible sense under the Commission's rules to include any medium upon which information is recorded or preserved, by whomever generated or received, and means, without limitation, any written, printed, typed, photostated, photographed, recorded, taped or otherwise reproduced communications, compilations or reproductions including computer generated or stored information or data, whether asserted to be privileged or not and including all copies or drafts of any document which differs (by annotation or otherwise) in any respect from the original.

21. Unless otherwise specifically stated, these Requests encompass documents, which were created, received, or generated or otherwise entered into your possession, custody, or control between January 1, 2001 and the present.

INTERROGATORIES

- 1. For each wind, solar or nuclear plant or project owned or operated by Exelon or from which Exelon purchases power, identify
 - (g) Whether the project is wind, solar or nuclear
 - (h) The location of the project
 - (i) The number of MW of the project
 - (j) The date of commercial operation of the project
- (k) Whether the project is owned or operated, and if owned, the fraction owned by Exelon
- (l) Any wholesale purchaser of the energy, capacity or renewable energy credits associated with a project owned or operated by Exelon
- (m) The owner and operator any wind or solar project from which Exelon purchases power
 - 2. For each energy storage project owned or operated by Exelon, identify
 - (a) The location of the project
 - (b) The number of MW of the project
 - (c) The date of commercial operation of the project
 - (d) Whether the project is owned or operated
 - (e) If owned, the fraction owned by Exelon

- 3. During the period June 1, 2013 until May 31, 2014, for each State in which one of Exelon's existing electric distribution companies operates, identify:
 - (a) The total megawatt-hours (MWh) of wind power supplied
 - (b) The total MWh of solar power supplied
- (c) The total MWh of any renewable energy source other than wind or solar power supplied
 - (d) The total number of RECs held
 - (e) The total number of SRECs held
- 4. With regard to any green pricing programs, for each of Exelon's existing electric distribution companies:
 - (a) Identify each offer that is presently available and for each such offer
 - (i) Indicate the extent of the price premium, if any.
- (ii) Indicate whether the price premium includes any costs associated with the purchase of RECs or SRECs, and if so, the fraction of the price premium that is based on such purchases.
- 5. Does Exelon continue to fully endorse the statements of its former Chairman and CEO John W. Rowe's regarding Climate Change and the press release of September 28, 2009? If not, please identify the ways in which it departs from that position.
 - 6. What steps, if any, are Exelon undertaking to de-carbonize its generation assets?
 - 7. What steps, if any, are Exelon undertaking to de-carbonize its supply purchases?

- 8. For each of the following, identify what, if any steps, measures or actions that Exelon has undertaken or is intending to undertake, as appropriate:
- (a) Deployment of microgrids through its existing electricity distribution utilities
 - (b) Expansion of microgrids in PHI's electricity distribution territory
- (c) Deployment of smart grids through its existing electricity distribution utilities
 - (d) Expansion of smart grids in PHI's electricity distribution territory
- (e) Deployment of electric vehicle charging stations through its existing electricity distribution utilities
- (f) Expansion of electric vehicle charging stations in PHI's electricity distribution territory
- (g) Deployment of energy storage through its existing electricity distribution utilities
 - (h) Expansion of energy storage in PHI's electricity distribution territory
- (i) Prevention of natural gas pipeline leaks though its existing energy distribution utilities
- (j) Prevention of natural gas pipeline leaks in PHI's electricity distribution territory Delaware
- (k) Response to and minimization of natural gas leaks in its existing energy distribution utilities
- (l) Response to and minimization of natural gas leaks in PHI's electricity distribution territory

- (m) Limitation of water use and entrainment and impingement of fish at its nuclear power plants
- 9. Identify each instance in which Exelon took into account external costs in acquisition of supply by its existing energy distribution utilities and explain how it did so for each such instance.
- 10. Identify whether Exelon intends to issue a request for proposals for the construction of new generation resources and long-term supply to serve Delmarva Power & Light supply customers
- 11. Identify whether Exelon intends to construct any new generation in the State of Delaware
- 12. Identify whether Exelon intends to meet any of Delmarva Power & Light's supply obligations over the next ten years with self-generation—that is, generation owned by Delmarva Power & Light
- 13. Identify any efficiency improvements Exelon will undertake at Pepco buildings in Delaware
- 14. Separately for Exelon and for Pepco, identify the purpose(s), including any factors considered, of entering into the merger and/or acquisition
- 15. Identify the ways, if any, that the acquisition and change in control, if approved, would be adverse to the public interest, including, but not limited to, any rate adjustments, and health or environmental effects.

- 16. With regard to the benefits of the merger and acquisition
- (a) Identify by CEC/BGE customer, the total benefit of the following four items: the residential rate credit, the customer investment fund, the BGE CAIDI Study and the Contribution to RG Steel Sparrows Point.
- (b) Identify by CEC/BGE customer, the benefit of the \$30 million for offshore wind development.
- (c) Provide the basis for providing funding for renewable energy development with regard to CEG/BGE, but not with regard to Pepco and Delmarva Power & Light.
- (d) Provide the basis for Delmarva Power & Light customers with a benefit per customer that is less than that which Exelon provided to CEG/BGE customers.
- (e) Provide the basis for providing CEG/BGE's customers with a residential rate credit and creating a CEG/BGE customer investment fund but only creating a Delmarva Power & Light customer benefit fund.
- (f) Provide the basis for providing Delmarva Power & Light customers with a benefit per customer that is less than that that provided to PECO customers
- 17. Identify the following related to Pepco's shareholders as of as close to April 28, 2014, as possible:
 - (a) The number of outstanding shares of POM
 - (b) The number of restricted shares of POM
 - (c) The number of POM shareholders
 - (d) The number of POM shareholders with restricted shares
 - (e) The median number of shares of POM held

- (f) The number of shares held by every PEPCO and Delmarva Power & Light officer and director
- 18. Does Pepco contend that Delmarva Power & Light will be able to meet the reliability commitments that are proposed in this docket if the merger does not occur?
- (a) If the answer is anything other than an unqualified "Yes," explain the basis for the response
- (b) If the answer is anything other than an unqualified "Yes," what Systems Average Interruption Disruption Index (SAIDI) within the Delaware operational area could be met by 2020 using the metrics proposed by Exelon?
 - 19. What is the direct value to Delmarva customers of:
- (a) The reliability improvement projects already announced by Pepco and/or underway
 - (b) The reliability commitments proposed by Exelon
- 20. Do you contend that Exelon and PHI did not need to submit the change in control of PHI to the jurisdiction of the Commission?
- (a) If the answer is anything other than an unqualified "No," explain the basis for the response.
- (b) If the answer is anything other than an unqualified "No," quantify the benefit to Delmarva Power & Light customers.
- 21. Explain how "maintaining" a local presence benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.

- 22. Explain how "honoring" existing collective bargaining contracts and other labor-related actions for at least the first two years is a benefit rather than a detriment over what would result in the absence of Exelon's acquisition of PHI.
- 23. Explain how "retaining" low-income assistance programs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
- 24. Explain how not seeking recovery of merger-related costs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
 - 25. Identify the company and person(s) who initiated the merger discussions.
- 26. Identify each company and person with whom Pepco discussed the possibility of merging or being acquired as an alternative to Exelon since 2010
- (a) For each such company or person, identify the benefits or advantages identified by that company or person that would have accrued to the public and Delmarva Power & Light ratepayers for such a merger or acquisition
- (b) Identify the extent to which the benefits or advantages would have been possibly more or less advantageous to the public and Delmarva Power & Light ratepayers for such a merger or acquisition
- 27. Identify each person you intend to call as a witness (expert or otherwise) in this proceeding.
- 28. Identify each person who participated in, supplied information to, or assisted the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

REQUESTS FOR PRODUCTION

- 1. Produce all documents related to a response to the interrogatory requests
- 2. Produce a copy of the CV or resume of each person identified in response to interrogatory 27 and to interrogatory 28
- 3. Produce a copy of John Rowe's prepared remarks that accompanied the September 28, 2009 Exelon press release
 - 4. Produce each and every Exelon communication or document relating to:
 - (a) The Maryland Wind Energy Area designated by BOEM located off the coast of Ocean City, Maryland and Fenwick, Delaware
 - (b) The Maryland Offshore Wind Energy Act of 2013
 - (c) The Bluewater Wind Project and the Delaware Wind Energy Area
 - (d) Leasing of Wind Energy Areas designated BOEM
 - (e) The cost of offshore wind power
 - (f) The reliability of offshore wind power
 - (g) The intermittency of offshore wind power
 - (h) The purchase of power from offshore wind power projects
 - (i) Grid integration costs of wind and/or solar power
 - (i) The price suppression or avoided cost effects of wind and/or solar power
 - (k) Electric vehicles, including grid-integrated electric vehicles
 - (1) Proposed or new nuclear power generation
 - (m) A diverse supply portfolio
 - (n) State Renewable Portfolio Standards (RPS) and/or Renewable Energy Credits (RECs), including solar RECs (SRECs)
 - (o) Federal Renewable Portfolio Standards Bills
 - (p) The US Production Tax Credit for nuclear power

- (q) The US Production Tax Credit for wind power
- (r) The US Investment Tax Credit for wind power
- (s) The Price Anderson Act of 1957, as amended
- (t) The federal loan guarantee program in the context of electricity generation
- (u) The allocation of costs related to transmission
- (v) The Regional Greenhouse Gas Initiative (RGGI)
- (w) Carbon taxes
- (x) Market-based programs for SO2
- (y) Market-based programs for carbon
- (z) The American Clean Energy and Security Act, also known as the Waxman-Markey Bill, H.R. 2454, which was approved the U.S. House of Representatives in 2009
 - (aa) EPA's 2014 proposed Clean Power Plan
- (bb) The social cost of carbon, including the Interagency Working Group's efforts related thereto
 - (cc) Climate Change/Global Warming
 - (i) Whether it is occurring
 - (ii) Whether it is human caused
 - (iii) Risks posed to electrical generation supply
 - (dd) Ocean Acidification
- 5. Provide a copy of any testimony of or reports prepared by Dr. Tierney related to the Cape Wind offshore wind power project or the Deepwater Wind Block Island offshore wind power project

6. Provide a copy of all documents related to the Joint Petition of Approval of Settlement and the Joint Settlement entered into in case 9271 before the Public Service Commission of Maryland

Jeremy Firestone July 31, 2014

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

)
)
) PSC DOCKET NO.14-193
)
)
)
)
)
)

ORDER NO. 8616

AND NOW, to-wit, this 19th day of August 2014;

WHEREAS, on June 18, 2014, Delmarva Power & Light Company ("Delmarva"), Exelon Corporation ("Exelon"), Pepco Holdings Inc. ("PHI"), Purple Acquisition Company, Exelon Energy Delivery Company, LLC ("EEDC") and Special Purpose Entity, LLC ("New SPE") (collectively the "Applicants"), filed an application (the "Application") seeking approvals under 26 Del. C. \$\$215 and 1016 for a change of control of Delmarva to be effected by a merger of PHI with Merger-Sub, a wholly owned subsidiary of Exelon; and

WHEREAS, the representatives of the Applicants, the Division of the Public Advocate and Commission Staff agreed to a schedule that extends the review process until January 6, 2015, which schedule was incorporated into a Scheduling Order that was attached and approved by this Commission in its opening order in this docket. (See PSC Order No. 8591 dated July 8, 2014); and

WHEREAS, pursuant to the Scheduling Order an initial conference was held on July 30, 2014, to discuss the schedule,

PSC Docket No. 14-193, Order No. 8616 Cont.

which was presided over by Mr. Mark Lawrence, the appointed Senior Hearing Examiner in this matter; and

WHEREAS, the Commission has been informed that as a result of the July 30, 2014 conference, certain changes have been proposed by various parties to the schedule previously approved in PSC Order No. 8581, which changes are incorporated in the Revised Schedule attached hereto as Exhibit "A";

NOW, THEREFORE, IT IS ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

- 1. The Revised Schedule (attached as $\underline{Exhibit "A"}$) is hereby adopted as the current schedule in this matter.
- 2. In addition to the Senior Hearing Examiner's responsibilities set forth in paragraph two of our earlier order (PSC Order No. 8581), Mr. Lawrence may adjust the proposed procedural schedule, with the concurrence of the parties. Any disagreements by or among the parties on proposed changes to the Revised Schedule, or subsequent revisions, shall be initially resolved in writing by the Senior Hearing Examiner. Any party may appeal to the Commission the Senior Hearing Examiner's decision, and we will consider such an appeal on an expedited basis.
- 3. The Commission reserves the jurisdiction and authority to enter such further Order or Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Dallas Winslow Chair

PSC Docket No. 14-193, Order No. 8616 Cont.

/s/ Joann T. Conaway
Commissioner
/s/ Jaymes B. Lester
Commissioner
/s/ Jeffrey J. Clark
Commissioner
/a/ Hamald D. Cmarr
/s/ Harold B. Gray
Commissioner

ATTEST:

/s/ Alisa Carrow Bentley Secretary

EXHIBIT "A"

REVISED SCHEDULE FOR PSC DOCKET NO. 14-193

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)	
OF DELMARVA POWER & LIGHT)	
COMPANY, EXELON CORPORATION,)	PSC DOCKET NO. 14-193
PEPCO HOLDINGS, INC., PURPLE)	
ACQUISITION CORPORATION, EXELON)	
ENERGY DELIVERY COMPANY, LLC AND)	
NEW SPECIAL PURPOSE ENTITY FOR)	
APPROVALS UNDER THE PROVISIONS OF)	
26 DEL. C. §§ 215 AND 1016 (Filed June 18,)	
2014))	

SCHEDULING ORDER

Pursuant to the scheduling conference conducted on July 30, 3014, the Delaware Public Service Commission (the "Commission"), through its designated Hearing Examiner, adopts the following amended procedural schedule in this case as submitted by the Applicants, the Division of the Public Advocate, the persons and entities seeking intervention who attended the July 30, 2014 scheduling conference, and the Commission Staff:

- Intervention. Petitions to intervene must be filed on or before July 28,
 2014.
- 2. <u>Scheduling Conference.</u> A Scheduling Conference will be held on July 30, 2014 at 10:00 am in the Commission Offices. All parties and those who have sought intervention should attend.
- 3. <u>Discovery</u>. Discovery issued to the Applicants will consist of two phases: the Initial Phase, and the Follow-Up Phase, as follows:
- a. <u>Initial Phase</u>. Initial discovery requests by Staff and the DPA to the Applicants must be served by July 31, 2014. Initial discovery requests by Intervenors

must be served by 12:00 pm on August 4, 2014. The Applicants' responses to all initial discovery requests must be served by August 20, 2014. If the Applicants have an Objection to any initial discovery request, it must be served within seven (7) calendar days of receipt of the initial discovery request. Any Motions to Compel pertaining to the initial discovery requests must be served by August 15, 2014. The Hearing Examiner will issue his decision on any Motion to Compel on or before August 22, 2014. Any documents ordered to be produced as a result of the Hearing Examiner's decision will be served by 12:00 p.m. August 26, 2014.

- b. Follow-Up. Follow-up discovery requests must be served upon the Applicants by August 29, 2014 and responses must be served by September 12, 2014. If Applicants have an Objection to any follow-up discovery request, it must be served by September 3, 2014. Any Motions to Compel must be served by September 5, 2014. The Hearing Examiner will issue his decision on any Motion to Compel on or before 12:00 p.m. on September 10, 2014. Any documents ordered to be produced as a result of the Hearing Examiner's decision will be served by 12:00 p.m. on September 12, 2014. The August 29, 2014 date for follow-up discovery will be extend by three (3) calendar days for discovery on any additional documents produced pursuant to a Motion to Compel.
- c. <u>Depositions.</u> Depositions, to the extent requested by any party, will be taken during the week of September 22-26, 2014. The parties will develop, informally, the time and place of such depositions, including but not limited to any video depositions.
- d. <u>Additional Discovery</u>. To the extent necessary, additional followup discovery including, but not limited to, written interrogatories, request for admissions

and, if necessary, additional depositions may be conducted at any time prior to November 10, 2014.

- 4. <u>Public Comment.</u> Public Comment Sessions will be held on the following dates and times: September 3, 2014, beginning at 7:00 p.m., Carvel State Office Building, 820 N. French Street, Second Floor Auditorium, Wilmington, DE 19801; September 9, 2014, beginning at 6:00 p.m., Commission Hearing Room, 861 Silver Lake Boulevard, Dover, DE 19904; September 11, 2014, beginning at 7:00 p.m., Cape Henlopen High School, 1250 Kings Hwy., Lewes, DE 19958.
- 5. <u>Direct Testimony.</u> Staff, DPA, and Intervenors must serve any direct testimony on or before October 16, 2014.
- 6. <u>Discovery.</u> Any discovery on Staff, DPA, or Intervenors must be served by October 27, 2014. Responses must be served by November 10, 2014.
- 7. <u>Settlement Discussion</u>. Initial settlement discussions shall take place on or before November 14, 2014.
- 8. Rebuttal Testimony. Applicants must serve any rebuttal testimony on or before November 20, 2014. Any party may request informal discovery from the Applicants related to its rebuttal testimony prior to the filing of pre-hearing briefs.
- Pre-Hearing Briefs. Pre-hearing briefs shall be filed on or before
 December 3, 2014.
- 10. <u>Evidentiary Hearing.</u> The Commission will hold an evidentiary hearings on December 16-18, 2014. The parties should be prepared to present oral argument to the Commission at the conclusion of the evidentiary hearing.

- 11. <u>Minute Order</u>. A Minute Order regarding a Decision by the Commission will be entered on or before December 18, 2014.
- 12. <u>Final Order.</u> The Final Order of the Commission will be issued on or before January 6, 2015.

Subject: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Date: Thursday, August 7, 2014 at 2:36:21 PM Eastern Daylight Time

From: todd.goodman@pepcoholdings.com

To: Firestone, Jeremy Mark

CC: Thomas.McGonigle@dbr.com

Jeremy:

Thanks again for meeting with Tom and me yesterday. As we promised, I'm sending this email to confirm the agreements we reached concerning several of the data requests (DRs) in your first set.

You agreed to withdraw several DRs. We agreed that you reserve your right to ask any of the withdrawn DRs on follow-up and that the Joint Applicants reserve their rights to object. Tom and I affirm that in the event you ask any of the withdrawn questions on follow-up and the Joint Applicants object, in part or in whole to those questions, we will not base such objections upon the fact that you agreed to withdraw the questions in this round of discovery.

The withdrawn Interrogatories are: 14, 16 - 26.

You agreed to modify several DRs and with respect to those modified DRs, the Joint Applicants agreed that while they will still raise certain objections, they will provide responses. In other words, those objections will not be of the type that require a 7 day response under the Scheduling Order.

You agreed that the following DRs are modified to now read as follows:

Int 28: Identify each person who participated in, supplied information to, or assisted in a material/substantive manner the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

RFP 2: Produce a copy of the CV or resume of each person who is: (a) identified as the respondent to a data request but is not a witness sponsoring prefiled testimony and (b) a witness who is sponsoring prefiled testimony but did not include a CV with the prefiled testimony in response to interrogatory 27 and to interrogatory 28.

<u>RFP 6</u>: Provide a copy of all documents related to <u>With respect to</u> the Joint Petition of Approval of Settlement and the Joint Settlement entered into in case 9271 before the Public Service Commission of Maryland (the <u>BGE/Exelon merger in Maryland</u>), provide a copy of all public statements made, press releases, testimony, etc. related to renewable energy made by Exelon or any of its affiliates.

Let us know if you believe that we have mischaracterized any of our agreements or if I overlooked any others. Again, we appreciate your willingness to work together to avoid discovery disputes.

Thanks - Todd

Todd L. Goodman Associate General Counsel Pepco Holdings. Inc. Legal Services 500 North Wakefield Drive Mailstop 92DC42 Newark, Delaware 19702

302-429-3786 - Phone 302-429-3801 - Fax 302-353-7979 - Business Cell

Email: todd.goodman@pepcoholdings.com

Interlocutory Exhibit 6

JOINT APPLICANTS DELAWARE PSC 14-193

RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES REQUEST NO. 1

QUESTION NO. 1

- Q. FOR EACH WIND, SOLAR OR NUCLEAR PLANT OR PROJECT OWNED OR OPERATED BY EXELON OR FROM WHICH EXELON PURCHASES POWER, IDENTIFY
 - (G) WHETHER THE PROJECT IS WIND, SOLOR OR NUCLEAR
 - (H) THE LOCATION OF THE PROJECT
 - (I) THE NUMBER OF MW OF THE PROJECT
 - (J) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
 - (I) THE NUMBER OF MW OF THE PROJECT
 - (J) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
 - (K) WHETHER THE PROJECT IS OWNED OR OPERATED, AND IF OWNED, THE FRACTION OWNED BY EXELON
 - (L) ANY WHOLESALE PURCHASER OF THE ENERGY, CAPACITY OR RENEWABLE ENERGY CREDITS ASSOCIATED WITH A PROJECT OWNED OR OPERATED BY EXELON

RESPONSE:

A. Exelon-owned electric generating assets, including nuclear, solar and wind, and their respective capacity (MW), location, percent ownership, primary energy source are listed on page 65 to 67 of the 2013 Exelon Corporation 10-K which can be obtained at: http://www.exeloncorp.com/performance/investors/overview.aspx

The date of commercial operation for each nuclear generation station can be found on page 12 of the 2013 10-K.

Date of commercial operation for each renewable generation asset, including solar and wind, can be found on our web site in the detail for each site at: http://www.exeloncorp.com/energy/generation/generation.aspx

A summary of Exelon's generation for sale is available on page 9 of the 2013 10-K. Further details about long-term power purchases are available in the 2013 10-K pages 16 and 17. Source and sales details are considered proprietary.

QUESTION NO. 2

- Q. FOR EACH EACH ENERGY STORAGE PROJECT OWNED OR OPERATED BY EXELON, IDENTIFY
 - (A) THE LOCATION OF THE PROJECT
 - (B) THE NUMBER OF MW OF THE PROJECT
 - (C) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
 - (D) WHETHER THE PROJECT IS OWNED OR OPERATED
 - (E) IF OWNED, THE FRACTION OWNED BY EXELON

RESPONSE:

A.

Muddy Run pumped-hydro storage facility is currently the only energy storage project owned or operated by Exelon. Its date of commercial operation is 1968. Owned assets, including Muddy Run, and their capacity (MW), location, percent ownership, primary energy source are listed on page 65 to 67 of the 2013 Exelon Corporation 10-K which can be obtained at http://www.exeloncorp.com/performance/investors/overview.aspx.

Additional site specific details on the Muddy Run facility can be found on our website at http://www.exeloncorp.com/PowerPlants/muddyrun/Pages/profile.aspx

QUESTION NO. 3

- Q. DURING THE PERIOD JUNE 1, 2013 UNTIL MAY 31, 2014, FOR EACH STATE IN WHICH ONE OF EXELON'S EXISTING ELECTRIC DISTRIBUTION COMPANIES OPERATES, IDENTIFY:
 - (A) THE TOTAL MEGAWATT-HOURS (MWH) OF WIND POWER SUPPLIED
 - (B) THE TOTAL MWH OF SOLAR POWER SUPPLIED
 - (C) THE TOTAL MWH OF ANY RENEWABLE ENERGY SOURCE OTHER THAN WIND OR SOLAR POWER SUPPLIED
 - (D) THE TOTAL NUMBER OF RECS HELD
 - (E) THE TOTAL NUMBER OF SRECS HELD

RESPONSE:

A. <u>A, B, and C:</u>

BGE, ComEd, and PECO do not own generation. All supply is sourced from the PJM System Mix. State renewable energy supply compliance is achieved by purchasing Renewable Energy Credits (RECs), which are decoupled from real-time generation. See number of RECs held in responses D and E.

D and E:

For BGE:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Class I	24,119
Class II	7,589
Solar	764
Total RECs	32,472

REC Inventory after Retirements, as of May 31, 2014	
Class I	366
Class II	425
Solar	271
Total RECs	1,062

For ComEd:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Other Renewable RECs	255,950
Solar RECs	31,116
Wind RECs	1,928,130
Total RECs	2,215,196

Zero RECs are held in inventory as of May 31, 2014.

For PECO:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Other Renewable RECs	909,196
Solar RECs	9,915
Wind RECs	344,188
Total RECs	1,263,299

REC Inventory after Retirements, as of May 31, 2014	
Other Renewable RECs	190,064
Solar RECs	10,343
Wind RECs	357,668
Total RECs	558,075

QUESTION NO. 4

- Q. WITH REGARD TO ANY GREEN PRICING PROGRAMS, FOR EACH OF EXELON'S EXISTING ELECTRIC DISTRIBUTION COMPANIES:
 - (A) IDENTIFY EACH OFFER THAT IS PRESENTLY AVAILABLE AND FOR EACH SUCH OFFER
 - (I) INDICATE THE EXTENT OF THE PRICE PREMIUM, IF ANY.
 - (II) INDICATE WHETHER THE PRICE PREMIUM INCLUDES ANY COSTS ASSOCIATED WITH THE PURCHASE OF RECS OR SRECS, AND IF SO, THE FRACTION OF THE PRICE PREMIUM THAT IS BASED ON SUCH PURCHASES.

RESPONSE:

A.

BGE Response

A. BGE has no specific green pricing programs and is prohibited from offering such programs.

ComEd Response

A. Commonwealth Edison Company does not offer any green pricing electricity supply programs.

PECO Response

A. PECO currently does not offer green pricing programs.

QUESTION NO. 5

Q. DOES EXELON CONTINUE TO FULLY ENDORSE THE STATEMENTS OF ITS FORMER CHAIRMAN AND CEO JOHN W. ROWE'S REGARDING CLIMATE CHANGE AND THE PRESS RELEASE OF SEPTEMBER 28, 2009? IF NOT, PLEASE IDENTIFY THE WAYS IN WHICH IT DEPARTS FROM THAT POSITION

RESPONSE:

A. In the September 28, 2009 Press Release

(http://www.exeloncorp.com/newsroom/pages/pr_20090928.aspx) John Rowe stressed the importance of a value on carbon and how it should be incorporated into competitive power of markets. Mr. Rowe also announced during the speech that Exelon would not be renewing its membership in the U.S. Chamber of Commerce due to the organization's opposition to climate legislation, as well as made public Exelon's greenhouse gas abatement goal, Exelon 2020, which highlighted how greenhouse gas emissions could be reduced in a cost effective manner.

Exelon continues to advocate for competitive markets and equitable economic realization of the value of all low carbon energy sources. Further, it is Exelon's position that competitive market mechanisms will drive the lowest cost solutions for reducing greenhouse gas carbon emissions. In more recent years, Exelon has reestablished it membership in the US Chamber of Commerce, and is actively involved in working with a variety of stakeholders, including government agencies and states to review and fully explore the implications of the U.S. EPA's Clean Power Plan.

Exelon supports compliance solutions that treat all carbon-free resources equally, regardless of age or technology, and provide flexibility to states to adopt strategies that allow market-based, cost-effective, solutions for consumers. Meaningful and verifiable reduction standards will further enable corporations to factor carbon emissions into their strategic business planning and direct investments to technologies that most effectively reduce greenhouse gas emissions. Exelon will continue work to articulate its position clearly and engage key stakeholders to establish effective market solutions. Additional information on our current policy positions please visit the Policy page on our corporate website at:

http://www.exeloncorp.com/performance/policypositions/overview.aspx

In following through on the strategy established by John Rowe, Exelon achieved the Exelon 2020 program goal with a total of 18.1 million metric tons of GHG abated in 2013 through a combination of absolute emission reductions, customer programs associated with energy efficiency and renewable portfolio standards, and increased output/efficiency improvements at our nuclear generation stations. Refer to the 2013 Corporate Sustainability Report (http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html) pages 14 through 31 for additional details on our current response to climate change issues.

QUESTION NO. 6

Q. WHAT STEPS, IF ANY, ARE EXELON UNDERTAKING TO DE-CARBONIZE ITS GENERATION ASSETS?

RESPONSE:

- A. As summarized in our 2013 CSR, Exelon has been taking steps to abate greenhouse gas emissions from its operation and to help its customers reduce their emissions, including measures to "de-carbonize" Exelon's electric generation assets, such as:
- Produced a record 158.6 million megawatt-hours (MWh) of low-carbon nuclear power
- Produced more than 5.8 million MWh from renewable sources including owned wind, hydro and solar capacity
- Surpassed the Exelon 2020 goal, seven years ahead of schedule, with the abatement of more than 18 million metric tons of carbon dioxide equivalents (CO2e)
- Further refined the Exelon corporate response to climate change to focus on: 1) reducing operational impacts; 2) contributing to the lowering of electric sector GHG emissions; and, 3) addressing the issue of infrastructure resiliency.

Exelon is advancing the production and delivery of clean, reliable and competitively priced forms of energy across the energy value chain. Exelon is working with communities and regulators to promote market rules and structures that ensure fair treatment of clean, competitive, reliable generation. The company is optimizing its existing generation fleet and exploring a variety of new technologies to most efficiently and effectively meet the future market demand for electricity. Through continued investments in a clean energy portfolio, transmission and distribution systems, and customer programs, Exelon is building a sustainable energy future and responding to climate change issues in a way that fosters business value and supports continued environmental progress. For more information refer to the 2013 Corporate Sustainability Report (http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html) pages 14 through 31 for additional details on Exelon's current response to climate change issues.

Additional information on Exelon greenhouse gas abatement initiatives can be found in section cc3.3b starting on page 20 of Exelon's 2014 CDP Climate Change Investors Survey Response located at http://www.exeloncorp.com/assets/environment/docs/Exelon Investor CDP.pdf

QUESTION NO. 7

Q. WHAT STEPS, IF ANY, ARE EXELON UNDERTAKING TO DE-CARBONIZE ITS SUPPLY PURCHASES?

RESPONSE:

A.

Exelon Utilities and its retail organization Constellation purchase electricity in compliance with prevailing state Renewable Portfolio Standards (RPS) and to support customer demand for the purchase of power specified to be supplied from renewable sources. Details on the avoided GHG emissions associated with these purchases are available as part of Exelon's 2013 CSR http://www.exeloncorp.com/assets/newsroom/docs/CSR/index.html on page 26 as well as in Exelon's 2014 CDP Climate Change Investors Survey Response in Section 3.3b starting on page 20.

http://www.exeloncorp.com/assets/environment/docs/Exelon_Investor_CDP.pdf

QUESTION NO. 8

- Q. FOR EACH OF THE FOLLOWING, IDENTIFY WHAT, IF ANY STEPS, MEASURES OR ACTIONS THAT EXELON HAS UNDERTAKEN OR IS INTENDING TO UNDERTAKE, AS APPROPRIATE:
 - (A) DEPLOYMENT OF MICROGRIDS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
 - (B) EXPANSION OF MICROGRIDS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
 - (C) DEPLOYMENT OF SMART GRIDS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
 - (D) EXPANSION OF SMART GRIDS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
 - (E) DEPLOYMENT OF ELECTRIC VEHICLE CHARGING STATIONS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
 - (F) EXPANSION OF ELECTRIC VEHICLE CHARGING STATIONS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
 - (G) DEPLOYMENT OF ENERGY STORAGE THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
 - (H) EXPANSION OF ENERGY STORAGE IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
 - (I) PREVENTION OF NATURAL GAS PIPELINE LEAKS THOUGH ITS EXISTING ENERGY DISTRIBUTION UTILITIES
 - (J) PREVENTION OF NATURAL GAS PIPELINE LEAKS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY DELAWARE
 - (K) RESPONSE TO AND MINIMIZATION OF NATURAL GAS LEAKS IN ITS EXISTING ENERGY DISTRIBUTION UTILITIES

- (L) RESPONSE TO AND MINIMIZATION OF NATURAL GAS LEAKS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
- (M) LIMITATION OF WATER USE AND ENTRAINMENT AND IMPINGEMENT OF FISH AT ITS NUCLEAR POWER PLANTS

RESPONSE:

A.

- 1-8a Exelon utilities evaluate technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8b Exelon does not engage in this activity in PHI's territory at this time.
- 1-8c Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8d Exelon does not engage in this activity in PHI's territory at this time.
- 1-8e Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8f Exelon does not engage in this activity in PHI's territory at this time.
- 1-8g Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits to the commission which are available through the commission and/or company websites, where applicable.
- 1-8h Exelon does not engage in this activity in PHI's territory at this time.
- 1-8i Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.

- 1-8j Exelon does not engage in this activity in PHI's territory at this time.
- 1-8k Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-81 Exelon does not engage in this activity in PHI's territory at this time.

1-8m – Exelon evaluated the impacts of water use and entrainment and impingement of fish at nuclear plants as part of the EPA's 316(b) rulemaking. Those comments are available at EPA's website. See Exelon's Comments on the 2011 Proposal:

 $\frac{http://www.regulations.gov/contentStreamer?objectId=0900006480ee4c21\&disposition=attachment\&contentType=pdf}{}$

As well as Exelon's Comments on the 2012 Notices of Data Availability (NODAs): http://www.regulations.gov/contentStreamer?objectId=090000648108b313&disposition=attachment&contentType=pdf (impingement technology)

QUESTION NO. 9

Q. IDENTIFY EACH INSTANCE IN WHICH EXELON TOOK INTO ACCOUNT EXTERNAL COSTS IN ACQUISITION OF SUPPLY BY ITS EXISTING ENERGY DISTRIBUTION UTILITIES AND EXPLAIN HOW IT DID SO FOR EACH SUCH INSTANCE.

RESPONSE:

A. Exelon utilities procure energy for purposes of serving default service customers in accordance with the legal and regulatory requirements of each state. Procurement requirements can be accessed through each state's commission and Exelon utilities website.

QUESTION NO. 10

Q. IDENTIFY WHETHER EXELON INTENDS TO ISSUE A REQUEST FOR PROPOSALS FOR THE CONSTRUCTION OF NEW GENERATION RESOURCES AND LONG-TERM SUPPLY TO SERVE DELMARVA POWER & LIGHT SUPPLY CUSTOMERS

RESPONSE:

A. Exelon will take legal and prudent actions that are consistent with state procurement requirements and orders by the Delaware Public Service Commission which may include a variety of methods of procuring energy to meet DP&L's standard offer service requirements.

QUESTION NO. 11

Q. IDENTIFY WHETHER EXELON INTENDS TO CONSTRUCT ANY NEW GENERATION IN THE STATE OF DELAWARE

RESPONSE:

A. Exelon has not made any decision to construct generation in the State of Delaware at this time.

QUESTION NO. 12

Q. IDENTIFY WHETHER EXELON INTENDS TO MEET ANY OF DELMARVA POWER & LIGHT'S SUPPLY OBLIGATIONS OVER THE NEXT TEN YEARS WITH SELF-GENERATION – THAT IS, GENERATION OWNED BY DELMARVA POWER & LIGHT.

RESPONSE:

A. Exelon will take legal and prudent actions that are consistent with state procurement requirements and orders by the Delaware Public Service Commission which may include a variety of methods of procuring energy to meet DP&L's standard offer service requirements.

QUESTION NO. 13

Q. IDENTIFY ANY EFFICIENCY IMPROVEMENTS EXELON WILL UNDERTAKE AT PEPCO BUILDINGS IN DELAWARE

RESPONSE:

A. Exelon has not yet identified at this time any efficiency improvements it will undertake at Pepco buildings in Delaware. Of note, however, is Exelon's track record in undertaking energy efficiency improvements in its existing footprints. For instance, Exelon announced on April 23, 2014 that it reduced or avoided more than 18 million metric tons of greenhouse gas (GHG) emissions in 2013, surpassing its goal of eliminating 17.5 million metric tons of greenhouse gas (GHG) emissions per year by 2020. Exelon completed the goal established by its "Exelon 2020" program seven years earlier than planned through an enterprise-wide approach that included reducing emissions in its operations, helping its customers and communities reduce their emissions, and adding more clean energy on the grid to displace energy from higher carbon sources.

QUESTION NO. 14

Q. SEPARATELY FOR EXELON AND FOR PEPCO, IDENTIFY THE PURPOSE(S), INCLUDING ANY FACTORS CONSIDERED, OF ENTERING INTO MERGER AND/OR ACQUISITION

RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Petitioners respond: See Merger Application, prefiled testimonies, Proxy Statement and other publicly available statements concerning reasons for merger.

SPONSOR: PHI

QUESTION NO. 15

Q. IDENTIFY THE WAYS, IF ANY, THAT THE ACQUISITION AND CHANGE IN CONTROL, IF APPROVED, WOULD BE ADVERSE TO THE PUBLIC INTEREST, INCLUDING, BUT NOT LIMITED TO, ANY RATE ADJUSTMENTS, AND HEALTH OR ENVIRONMENTAL EFFECTS

RESPONSE:

A. The acquisition and change in control will not be approved unless the Delaware Public Service Commission, applying standards and criteria established by Delaware law and based upon substantial evidence, finds and determines that the acquisition and change in control are consistent with the public interest. Consequently, if the acquisition and change in control are approved, they will not be inconsistent with the public interest. Conversely, if the Delaware Public Service Commission, applying standards and criteria established by Delaware law and based upon substantial evidence, were to find and determine that the acquisition and change in control are not consistent with the public interest, it would not grant its approval -- an outcome that the Joint Applicants believe is not warranted based on the Joint Application and accompanying testimony filed in this case.

QUESTION NO. 16

- Q. WITH REGARD TO THE BENEFITS OF THE MERGER AND ACQUISITION
 - (A) IDENTIFY BY CEC/BGE CUSTOMER, THE TOTAL BENEFIT OF THE FOLLOWING FOUR ITEMS: THE RESIDENTIAL RATE CREDIT, THE CUSTOMER INVESTMENT FUND, THE BGE CAIDI STUDY AND THE CONTRIBUTION TO RG STEEL SPARROWS POINT.
 - (B) IDENTIFY BY CEC/BGE CUSTOMER, THE BENEFIT OF THE \$30 MILLION FOR OFFSHORE WIND DEVELOPMENT.
 - (C) PROVIDE THE BASIS FOR PROVIDING FUNDING FOR RENEWABLE ENERGY DEVELOPMENT WITH REGARD TO CEG/BGE, BUT NOT WITH REGARD TO PEPCO AND DELMARVA POWER & LIGHT.
 - (D) PROVIDE THE BASIS FOR DELMARVA POWER & LIGHT CUSTOMERS WITH A BENEFIT PER CUSTOMER THAT IS LESS THAN THAT WHICH EXELON PROVIDED TO CEG/BGE CUSTOMERS.
 - (E) PROVIDE THE BASIS FOR PROVIDING CEG/BGE'S CUSTOMERS WITH A RESIDENTIAL RATE CREDIT AND CREATING A CEG/BGE CUSTOMER INVESTMENT FUND BUT ONLY CREATING A DELMARVA POWER & LIGHT CUSTOMER BENEFIT FUND.
 - (F) PROVIDE THE BASIS FOR PROVIDING DELMARVA POWER & LIGHT CUSTOMERS WITH A BENEFIT PER CUSTOMER THAT IS LESS THAN THAT THAT PROVIDED TO PECO CUSTOMERS

RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Applicants respond:

<u>With respect to benefits offered to Delmarva Power customers</u>: See Merger Application, prefiled testimonies, Proxy Statement and other publicly available statements concerning benefits arising from the merger.

JOINT APPLICANTS DELAWARE PSC 14-193

RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES REQUEST NO. 16

With respect to what this intervener refers to as "benefits" provided to "CEG/BGE" customers, which the Joint Applicants interpret to mean benefits provided in Maryland as a result of the merger between Exelon Corporation, Constellation Energy Group, Inc., and Baltimore Gas and Electric Company in 2012: see the Maryland Public Service Commission website http://webapp.psc.state.md.us/Intranet/home.cfm in the Case Jacket for Case No. 9271, In the Matter of the Merger of Exelon Corporation and Constellation Energy Group, Inc.

QUESTION NO. 17

- Q. IDENTIFY THE FOLLOWING RELATED TO PEPCO'S SHAREHOLDERS AS OF AS CLOSE TO APRIL 28, 2014, AS POSSIBLE:
 - (A) THE NUMBER OF OUTSTANDING SHARES OF POM
 - (B) THE NUMBER OF RESTRICTED SHARES OF POM
 - (C) THE NUMBER OF POM SHAREHOLDERS
 - (D) THE NUMBER OF POM SHAREHOLDERS WITH RESTRICTED SHARES
 - (E) THE MEDIAN NUMBER OF SHARES OF POM HELD
 - (F) THE NUMBER OF SHARES HELD BY EVERY PEPCO AND DELMARVA POWER & LIGHT OFFICER AND DIRECTOR

RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Petitioners respond: See Proxy Statement filed August 12, 2014.

SPONSOR: PHI

QUESTION NO. 18

- Q. DOES PEPCO CONTEND THAT DELMARVA POWER & LIGHT WILL BE ABLE TO MEET THE RELIABILITY COMMITMENTS THAT ARE PROPOSED IN THIS DOCKET IF THE MERGER DOES NOT OCCUR?
 - (A) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "YES," EXPLAIN THE BASIS FOR THE RESPONSE
 - (B) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "YES," WHAT SYSTEMS AVERAGE INTERRUPTION DISRUPTION INDEX (SAIDI) WITHIN THE DELAWARE OPERATIONAL AREA COULD BE MET BY 2020 USING THE METRICS PROPOSED BY EXELON?

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 19

- Q. WHAT IS THE DIRECT VALUE TO DELMARVA CUSTOMERS OF:
 - (A) THE RELIABILITY IMPROVEMENT PROJECTS ALREADY ANNOUNCED BY PEPCO AND/OR UNDERWAY
 - (B) THE RELIABILITY COMMITMENTS PROPOSED BY EXELON

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 20

- Q. DO YOU CONTEND THAT EXELON AND PHI DID NOT NEED TO SUBMIT THE CHANGE IN CONTROL OF PHI TO THE JURISDICTION OF THE COMMISSION?
 - (A) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "NO," EXPLAIN THE BASIS FOR THE RESPONSE.
 - (B) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "NO," QUANTIFY THE BENEFIT TO DELMARVA POWER & LIGHT CUSTOMERS.

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 21

Q. EXPLAIN HOW "MAINTAINING" A LOCAL PRESENCE BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

.

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 22.

Q. EXPLAIN HOW "HONORING" EXISTING COLLECTIVE BARGAINING CONTRACTS AND OTHER LABOR-RELATED ACTIONS FOR AT LEAST THE IRST TWO YEARS IS A BENEFIT RATHER THAN A DETRIMENT OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

_

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 23.

Q. EXPLAIN HOW "RETAINING" LOW-INCOME ASSISTANCE PROGRAMS BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

.

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 24.

Q. EXPLAIN HOW NOT SEEKING RECOVERY OF MERGER-RELATED COSTS BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

.

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 25.

Q. IDENTIFY THE COMPANY AND PERSON(S) WHO INITIATED THE MERGER DISCUSSIONS.

.

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 26.

- Q. IDENTIFY EACH COMPANY AND PERSON WITH WHOM PEPCO DISCUSSED THE POSSIBILITY OF MERGING OR BEING ACQUIRED AS AN ALTERNATIVE TO EXELON SINCE 2010
 - (A) FOR EACH SUCH COMPANY OR PERSON, IDENTIFY THE BENEFITS OR ADVANTAGES IDENTIFIED BY THAT COMPANY OR PERSON THAT WOULD HAVE ACCRUED TO THE PUBLIC AND DELMARVA POWER & LIGHT RATEPAYERS FOR SUCH A MERGER OR ACQUISITION

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 27.

Q. IDENTIFY EACH PERSON YOU INTEND TO CALL AS A WITNESS (EXPERT OR OTHERWISE) IN THIS PROCEEDING.

RESPONSE:

A. The Joint Applicants object to this request to the extent it violates the attorney/client privilege and work product doctrines. Without waiving any objection, the Joint Applicants respond that at this point in the docket, the Joint Applicants intend to call the witnesses who have provided pre-filed testimony and any additional witnesses who may file additional pre-filed testimony as this docket progresses. The Joint Applicants reserve their rights to identify additional witnesses throughout this proceeding, at any time as may be necessary and/or permitted, for purposes of, including but not limited to, responding to issues that may be raised in this docket by any participant.

QUESTION NO. 28.

Q. IDENTIFY EACH PERSON WHO PARTICIPATED IN, SUPPLIED INFORMATION TO, OR ASSISTED, **IN A MATERIAL MANNER**, THE PERSON VERIFYING THE ANSWERS TO THESE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS, INCLUDING THOSE PERSON(S) WHO HAVE PROVIDED INFORMATION FOR SUCH ANSWERS, STATING WITH SPECIFICITY THE ANSWER(S) INVOLVED.

RESPONSE:

A. The Joint Applicants object to this request to the extent that it is vague and ambiguous in the use of the phrase, "in a material manner," and to the extent that it is overly broad, unduly burdensome and seeks information that is irrelevant. Without waiving any objection, and to the extent the Joint Applicants understand the request, the Joint Applicants respond that the person responsible for responding to these data requests is the person identified as the sponsor of the response. To the extent a sponsor is not listed at this time, a sponsor will be listed prior to going to hearing on this matter.

¹ Underlined/bolded/strikethrough language reflects changes to the request agreed upon between the Joint Applicants and Intervener Jeremy Firestone.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE REQUESTS FOR PRODUCTION OF DOCUMENTS

QUESTION NO. 1

Q. PRODUCE ALL DOCUMENTS RELATED TO A RESPONSE TO THE INTERROGATORY REQUESTS

RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome, outside the scope of this intervener's limited intervention, to the extent it violates that attorney client privilege and work product doctrines, vague and ambiguous in the use of the phrase "related to a response to...," and in that it fails to reasonably specify the identity and/or category of documents sought. Without waiving any objection, the Joint Applicants respond: See materials produced in response to these data requests and the materials made available in the electronic data room.

QUESTION NO. 2

Q. PRODUCE A COPY OF THE CV OR RESUME OF EACH PERSON WHO IS (A) IDENTIFIED AS A RESPONDENT TO A DATA REQUEST BUT IS NOT A WITNESS SPONSORING PREFILED TESTIMONY AND (B) A WITNESS WHO IS SPONSORING PREFILED TESTIMONY BUT DID NOT INCLUDE A CV WITH THE PREFILED TESTIMONY. IN RESPONSE TO INTERROGATORY 27 AND TO INTERROGATORY 28.1

RESPONSE:

A. The Joint Applicants object to this request to the extent that it is vague and ambiguous in the use of the phrase, "in a material manner," and to the extent that it is overly broad, unduly burdensome and seeks information that is irrelevant. Without waiving any objection, and to the extent the Joint Applicants understand the request, the Joint Applicants respond that the person responsible for responding to these data requests is the person identified as the sponsor of the response. To the extent a sponsor is not listed at this time, a sponsor will be listed prior to going to hearing on this matter. The qualifications and personal history of all pre-filed witnesses is contained in their filed testimony.

SPONSOR: PHI / Exelon Corporation

Page 2 of 8

¹ Underlined/bolded/strikethrough language reflects changes to the request agreed upon between the Joint Applicants and Intervener Jeremy Firestone.

QUESTION NO. 3

Q. PRODUCE A COPY OF JOHN ROWE'S PREPARED REMARKS THAT ACCOMPANIED THE SEPTEMBER 28, 2009 EXELON PRESS RELEASE

RESPONSE:

A. See DE 14-193 Firestone Set 1 Q3 Attachment 1-2.

JOINT APPLICANTS DELAWARE PSC 14-193

RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE REQUESTS FOR PRODUCTION OF DOCUMENTS

QUESTION NO. 4

- Q. PRODUCE EACH AND EVERY EXELON COMMUNICATION OR DOCUMENT RELATING TO:
 - (A) THE MARYLAND WIND ENERGY AREA DESIGNATED BY BOEM LOCATED OFF THE COAST OF OCEAN CITY, MARYLAND AND FENWICK, DELAWARE
 - (B) THE MARYLAND OFFSHORE WIND ENERGY ACT OF 2013
 - (C) THE BLUEWATER WIND PROJECT AND THE DELAWARE WIND ENERGY AREA
 - (D) LEASING OF WIND ENERGY AREAS DESIGNATED BOEM
 - (E) THE COST OF OFFSHORE WIND POWER
 - (F) THE RELIABILITY OF OFFSHORE WIND POWER
 - (G) THE INTERMITTENCY OF OFFSHORE WIND POWER
 - (H) THE PURCHASE OF POWER FROM OFFSHORE WIND POWER PROJECTS
 - (I) GRID INTEGRATION COSTS OF WIND AND/OR SOLAR POWER
 - (J) THE PRICE SUPPRESSION OR AVOIDED COST EFFECTS OF WIND AND/OR SOLAR POWER
 - (K) ELECTRIC VEHICLES, INCLUDING GRID-INTEGRATED ELECTRIC VEHICLES
 - (L) PROPOSED OR NEW NUCLEAR POWER GENERATION
 - (M) A DIVERSE SUPPLY PORTFOLIO
 - (N) STATE RENEWABLE PORTFOLIO STANDARDS (RPS) AND/OR RENEWABLE ENERGY CREDITS (RECS), INCLUDING SOLAR RECS (SRECS)
 - (O) FEDERAL RENEWABLE PORTFOLIO STANDARDS BILLS
 - (P) THE US PRODUCTION TAX CREDIT FOR NUCLEAR POWER
 - (Q) THE US PRODUCTION TAX CREDIT FOR WIND POWER

JOINT APPLICANTS DELAWARE PSC 14-193

RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE REQUESTS FOR PRODUCTION OF DOCUMENTS

- (R) THE US INVESTMENT TAX CREDIT FOR WIND POWER
- (S) THE PRICE ANDERSON ACT OF 1957, AS AMENDED
- (T) THE FEDERAL LOAN GUARANTEE PROGRAM IN THE CONTEXT OF ELECTRICITY GENERATION
- (U) THE ALLOCATION OF COSTS RELATED TO TRANSMISSION
- (V) THE REGIONAL GREENHOUSE GAS INITIATIVE (RGGI) (W) CARBON TAXES
- (X) MARKET-BASED PROGRAMS FOR SO2 (Y) MARKET-BASED PROGRAMS FOR CARBON
- (Z) THE AMERICAN CLEAN ENERGY AND SECURITY ACT, ALSO KNOWN AS THE WAXMAN-MARKEY BILL, H.R. 2454, WHICH WAS APPROVED THE U.S. HOUSE OF REPRESENTATIVES IN 2009
- (AA) EPA'S 2014 PROPOSED CLEAN POWER PLAN
- (BB) THE SOCIAL COST OF CARBON, INCLUDING THE INTERAGENCY WORKING GROUP'S EFFORTS RELATED THERETO
- (CC) CLIMATE CHANGE/GLOBAL WARMING
 - (I) WHETHER IT IS OCCURRING
 - (II) WHETHER IT IS HUMAN CAUSED
 - (III) RISKS POSED TO ELECTRICAL GENERATION SUPPLY
- (DD) OCEAN ACIDIFICATION

RESPONSE:

A. Joint Applicants object to this data request on grounds that it is overly broad, unduly burdensome, irrelevant and to the extent it seeks information that is of a proprietary, competitive, non-regulated business nature. Without waiving any objection, Exelon responds that the following comprehensive report fully covers our position and our actions on this issue.

Exelon has been recognized by the CDP as a global leadership in disclosure on climate change issues. Additional details on our internal governance, management, initiatives and risk and opportunities assessment are available in our 2014 CDP Survey Response located at http://www.exeloncorp.com/assets/environment/docs/Exelon_Investor_CDP.pdf. Specifically

issues identified in information requests 1-4v through 1-4cc can be found at the following locations in the survey:

RFP 1-4v RGGI – cc13.1a page 69

RFP 1-4w Carbon Taxes – cc5.1a page 30 and cc6.1a page 43

RFP 1-4y Market-based programs for carbon - cc5.1a page 30 and cc6.1a page 43

RFP 1-4cc Climate Change / Global Warming – whole document

RFP 1-4cc-i Whether its occurring – company website

http://www.exeloncorp.com/environment/overview.aspx Side bar "Why Us? Why Now?"

RFP 1-4cc-ii Whether it is human caused – company website

http://www.exeloncorp.com/environment/overview.aspx Side bar "Why Us? Why Now?"

RFP 1-4cc-iii Risks posed to electrical generation supply – cc5.1a

RFP 1-4dd – Exelon supports the advancement of clean energy, see Exelon's 2013 Corporate Sustainability Report:

http://www.exeloncorp.com/assets/newsroom/downloads/docs/dwnld_Exelon_CSR.pdf

Exelon's comments are produced in response to requests from regulators and legislatures. Exelon's public responses are available on the appropriate matter on various regulatory agency and/or Exelon's website. Public comments and responses to media inquiries are available at various media websites.

Additional historical information and our ongoing perspective and advocacy relating to climate change can also be found in our past CSRs and Exelon 2020 updates located at http://www.exeloncorp.com/Newsroom/downloads/downloads.aspx under the link Publications.

For additional information regarding the company, please refer to its annual reports, located at http://www.exeloncorp.com/performance/investors/overview.aspx

QUESTION NO. 5

Q. PROVIDE A COPY OF ANY TESTIMONY OF OR REPORTS PREPARED BY DR. TIERNEY RELATED TO THE CAPE WIND OFFSHORE WIND POWER PROJECT OR THE DEEPWATER WIND BLOCK ISLAND OFFSHORE WIND POWER PROJECT

RESPONSE:

A. See DE 14-193 Firestone Set 1 Q5 Attachment 1 - 3.

QUESTION NO. 6

Q. PROVIDE A COPY OF ALL DOCUMENTS RELATED WITH RESPECT TO THE JOINT PETITION OF APPROVAL OF SETTLEMENT AND THE JOINT SETTLEMENT ENTERED INTO IN CASE 9271 BEFORE THE PUBLIC SERVICE COMMISSION OF MARYLAND (A.K.A., THE BGE/EXELON MERGER) PROVIDE A COPY OF ALL PUBLIC STATEMENTS MADE, PRESS RELEASES, TESTIMONY, ETC. RELATED TO RENEWABLE ENERGY MADE BY EXELON OR ANY OF ITS AFFILIATES.²

RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome, and seeks information that is irrelevant. Without waiving any objection, see response to Staff Set 1 Q 61.

² Underlined/bolded/strikethrough language reflects changes to the request agreed upon between the Joint Applicants and Intervener Jeremy Firestone.

Interlocutory Exhibit 7

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF	'THE P	APPLICATIO	N OF)			
DELMARVA POWER	& I	LIGHT CO	MPANY,	EXELON)			
CORPORATION, PE	PCO F	HOLDINGS,	INC.,	PURPLE)			
ACQUISITION	CORPOR	RATION, EXE	LON	ENERGY)	PSC DOCKET	NO.	14-193
DELIVERY COMPAN	Y, LLO	C, AND SI	PECIAL	PURPOSE)			
ENTITY, LLC,	FOR	APPROVALS	S UNDE	ER THE)			
PROVISIONS OF 2	26 DEI	C. §§	215 AM	ND 1016)			
(Filed JUNE 18,	2014))			

ORDER NO. <u>8624</u> (Regarding Firestone's Motion to Compel)

AND NOW, this 27th day of August, 2014, the duly-appointed Hearing Examiner for this docket determines and orders the following:

- 1. Pursuant to $\P 2$ of Order No. 8581 (July 8, 2014), the Commission designated me as the Hearing Examiner for this docket and delegated the authority to me to resolve any discovery disputes among the parties.
- 2. At the July 30, 2014 Scheduling Conference in this docket, I orally granted Mr. Jeremy Firestone's ("Mr. Firestone") Petition to Intervene. On August 5, 2014, I entered Order No. 8603 formally permitting Mr. Firestone to intervene.
- 3. According to his Petition for Intervention, Mr. Firestone intervened "as an individual" "with specialized expertise in energy and climate issues." ($\P\P2$, 18.) According to his Petition, Mr. Firestone has spent his adult life studying, working with, and teaching these issues. ($\P\P19-31.$)

- 4. On July 31, 2014, as an Intervener, Mr. Firestone timely served discovery requests on Delmarva Power & Light Company ("Delmarva"), Pepco Holdings, Inc. ("PHI"), Exelon Corporation ("Exelon"), Exelon Energy Delivery Company, LLC ("Exelon"), Purple Acquisition Corporation ("Merger Sub"), and Special Purpose Entity, LLC ("SPE") (collectively, the "Joint Applicants").
- 5. In a subsequent filing, Mr. Firestone described his discovery as "relating to renewable energy, climate change, environmental externalities, efficiency, etc. This includes questions that relate to the fairness and size of the set aside for Delmarva customers as the size of the pie will determine what if any monies are dedicated to the topics referenced above." (Firestone's Reply dated Aug. 27, 2014, ¶11.)
- 6. Including sub-parts, Mr. Firestone's discovery consists of sixty nine (69) Interrogatories, thirty seven (37) Requests for Production of Documents, and in excess of five (5) pages of instructions. I calculated the number of Interrogatories after Mr. Firestone and the Joint Applicants' Counsel met in person on August 6, 2014 and Mr. Firestone agreed to withdraw sixteen (16) additional Interrogatories, some containing sub-parts.
- 7. On August 20, 2014, the Joint Applicants responded to many of Mr. Firestone's Interrogatories and Requests for Production of Documents, objected to some discovery requests while limiting their responses, and entirely objected to other discovery requests.
- 8. As to the discovery requests which were either objected to their entirety or objected to with some response-either limited

documents or a limited answer were provided - the Joint Applicants' initially objected to all requests as follows: "The Joint Applicants object to this request on grounds that it is overly broad, burdensome, and outside the scope of this intervener's limited intervention."

- 9. On August 21, 2014, Mr. Firestone timely served a Motion to Compel Discovery. Mr. Firestone essentially argues that the Joint Applicants refused to answer or did not sufficiently answer his Interrogatories, or did not or did not sufficiently provide Mr. Firestone with the documents he requested usually because the Joint Applicants provided him with email links to documents previously filed in the public record in a number of proceedings.
- 10. On August 26, 2014, the Joint Applicants timely filed a Response to Mr. Firestone's Motion to Compel Discovery. On August 27, 2014, Mr. Firestone filed a Reply to the Joint Applicants' Response.
- 11. Before addressing the merits of Mr. Firestone's Motion to Compel, however, I want to first briefly address Mr. Firestone's claim that the Joint Applicants' failed to timely file their objections to his discovery requests. Pursuant to PSC Order No. 8616 (August 19, 2014), I have the authority to resolve disagreements between the parties regarding the Procedural Schedule in this docket. (See §2.)
- 12. Mr. Firestone's discovery requests were served on July 31, 2014. According to the revised Procedural Schedule in PSC Order No. 8616, the Applicants were required to file their responses, including objections, on or before August 20. Since the Joint Applicants timely filed their responses to discovery, including objections, on August 20, this is a non-issue.

- Joint Applicants argue that Mr. Firestone's discovery rights as an individual intervener are not without limits. (Joint Applicants' Response; pp. 2-3.) The Joint Applicants essentially argue that there are four (4) limits upon Mr. Firestone's initial discovery imposed by Delaware law and the Commission: a) he may not engage in a "fishing expedition" for information or documents; b) his discovery must not be unduly burdensome for the Joint Applicants to respond to; c) the Commission may limit an individual intervener's discovery to the scope of the intervener's claimed interest in the proceeding; and d) the Joint Applicants may provide confidential discovery to Staff and the Public Advocate, but withheld same from other interveners. (Id. & authorities cited therein.) Since I agree with the legal authorities discussed by the Joint Applicants in its Response, I will not discuss this issue any further.
- 14. The Disputed Discovery Requests. Since the parties have explained their respective positions in exhaustive detail in their filings, I will address each disputed discovery request and find whether the Joint Applicants' Objections are sustained or their Responses are sufficient. I note that, at this early stage of this docket, future reasonable discovery from the Joint Applicants is available to Mr. Firestone. Also, Staff's and the Public Advocate's Counsel have currently set aside the week of September 22-26 for depositions of the Joint Applicants' representatives, if necessary.
- 15. <u>Interrogatory No. 8.</u> I find that the Joint Applicants' Response is sufficient.

- 16. <u>Interrogatory No. 9.</u> I find that the Joint Applicants' Response is sufficient.
- 17. <u>Interrogatory No. 14.</u> I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient.
- 18. <u>Interrogatory No. 15.</u> I find that the Joint Applicants' Response is sufficient.
- 19. Interrogatory No. 16. I overrule the Joint Applicants' objections and find that their Response is not sufficient. I order that the Joint Applicants provide a better response to Mr. Firestone on or before 5 p.m. on Friday October 3, or one (1) week after the deposition period expires, whichever is later. If any portion of the Interrogatory has been or is subsequently sufficiently answered in the Joint Applicants' responses to discovery from Staff, the Public Advocate or any other party, or is answered by any representative in a deposition, the Joint Applicants may refer to same in answering that portion of the Interrogatory.
- 20. <u>Interrogatory No. 17.</u> I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient.
- 21. Interrogatory No. 28. I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient. In November, I will require the parties to develop a Witness List regarding who will testify at the final hearings beginning on December 16, 2014.
- 22. <u>Document Request No. 1.</u> I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient.

PSC Docket No. 14-193, Order No. 8624 Cont'd

23. <u>Document Request No. 2.</u> I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient.

24. <u>Document Request No. 4.</u> I sustain the Joint Applicants' objections and find that the Joint Applicants' Response is sufficient.

NOW, THEREFORE, it is ordered that Jeremy Firestone's Motion to Compel is granted in part and denied in part as described above, this 27th day of August, 2014.

Respectfully Submitted,

/s/ Mark Lawrence

Mark Lawrence Senior Hearing Examiner

Interlocutory Exhibit 8

Subject: HE ORDER NO. 8621

Date: Tuesday, August 26, 2014 at 1:32:27 PM Eastern Daylight Time

From: McDowell, Connie (DOS)

To: Lawrence, Mark (DOS), Firestone, Jeremy Mark, Preate-Regni, Andrea, dhan@morganlewis.com,

gmalik@morganlewis.com, ward.smith@exeloncorp.com, bruce.wilson@exeloncorp.com, tgadsden@morganlewis.com, tpierce@morganlewis.com, adecusatis@morganlewis.com, kkulak@morganlewis.com, Anthony.Gay@exeloncorp.com, westark@pepcoholdings.com, paul.bonney@exeloncorp.com, david.parcell@tai-econ.com, mgang@postschell.com,

Abraham.Silverman@nrgenergy.com, bmcglinn@morganlewis.com, Anita.zaketa@exeloncorp.com, lisa.decker@exeloncorp.com, darryl.bradford@exeloncorp.com, kcfitzgerald@pepcoholdings.com, peter.meier@pepcoholdings.com, kevin.mcgowan@pepcoholdings.com, wdubois@venable.com, dick.webster@peco-energy.com, Thomas.McGonigle@dbr.com, Geoffrey.Sawyer@dbr.com, todd.goodman@pepcoholdings.com, daniel.hurson@bge.com, pnjohnson@pepco.com, cschultz@saul.com, lindsay.orr@dbr.com, mwojtaszewski@morganlewis.com, canagle@pepco.com, heather.hall@pepcoholdings.com, Pamela.Long@pepcoholdings.com, Joseph.Schoell@dbr.com, marissa.humphrey@exeloncorp.com, darla.bross@exeloncorp.com, Cortney.Madea@nrgenergy.com, bburcat@marec.us, jeffrey.mayes@monitoringanalytics.com, Howatt, Robert (DOS), jamesgeddes@mac.com, Bonar, David L (DOS), Iorii, Regina (DOJ), Price, Ruth A (DOS), Maucher, Andrea (DOS), Noyes, Thomas G. (DNREC), Scott, Devera (DOJ), watkinsg@tai-econ.com, bobrien@chpk.com, dcanter@postschell.com, fmurphy@msllaw.com, Grace.Kurdian@nrgenergy.com, jharris@bergerharris.com, sholly@bergerharris.com, jim.black@consultant.com, Teixeira, Ron (DOS), hlubow@overlandconsulting.com, Donoghue, Julie M (DOS), Dillard, Janis L (DOS), Gannon, Patricia (DOS), garybcohen@aol.com, lwelde@cleanair.org, maward@wcsr.com, tony.deprima@deseu.org, steve@gabelassociates.com, rich.priess@gabelassociates.com, pam.frank@gabelassociates.com, Logan Welde,

joe minott@cleanair.org, parcelld@tai-econ.com

Hearing Examiner Lawrence has issued the attached Order. Mr. Lawrence did not realize that the Delafile system was not e-mailing the parties in this docket when he filed this Order.

Interlocutory Exhibit 9

Subject: Subscription to E-Filing

Date: Friday, August 29, 2014 at 3:07:50 PM Eastern Daylight Time

From: psc_delafile_do_not_reply@iteksolutionsinc.net

To: Firestone, Jeremy Mark

Hello Jeremy Fireston,

Welcome to the Delaware Public Service Commission online system, DelaFile.

You have subscribed successfully to receive notifications for the following filings or docket types: 14-193

To unsubscribe or modify your account, please click on the link below:

https://delafile.delaware.gov/Subscribe.aspx?ID=OTIz

Do not reply to this email as this is a system generated email. If you have received this email erroneously, please notify delafileadmin@state.de.us.

Thank you,

Delaware Public Service Commission.

Interlocutory Exhibit 10

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT COMPANY,)
EXELON CORORPATION, PEPCO HOLDINGS) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,)
EXELON ENERGY DELIVERY COMPANY, LLC)
AND SPECIAL PURPOSE ENTITY, LLC)
FOR APPROVALS UNDER THE PROVISIONS)
OF 26 Del. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

INTERVENOR JEREMY FIRESTONE'S MOTION FOR RECONSIDERATION OF FIRST MOTION TO COMPEL DISCOVERY

Jeremy Firestone 130 Winslow Road Newark, DE 19711 302 831-0228 (office/day) jf@udel.edu Pro Se

Intervenor Jeremy Firestone hereby moves for Reconsideration of the Hearing Examiner's Order 8624 regarding my August 21, 2014 Motion to Compel answers to interrogatories and production of documents.

Background

- On September 8, 2014, I received actual notice that the Hearing Examiner had on August 27, 2014, issued Order 8624 during a Scheduling Conference Status Conference regarding the above-referenced matter.
- 2. I did not receive notice from Delafile at the time the Order was issued and filed. This is perhaps not surprising given that the day before on August 26, 2014, I received an email from Connie McDowell, attaching Order 8621, and indicating that, "Mr.

 Lawrence did not realize that the Delafile system was not emailing the parties in this

docket when he filed the Order." Staff did not provide a similar email notifying the parties of Order 8624.

3. In pertinent part Order 8624 provides in paragraphs 8, 11, and 12.

As to the discovery requests which were either objected to their entirety or objected to with some response-either limited documents or a limited answer were provided - the Joint Applicants' initially objected to all requests as follows: "The Joint Applicants object to this request on grounds that it is overly broad, burdensome, and outside the scope of this intervener's limited intervention.

Before addressing the merits of Mr. Firestone's Motion to Compel, however, I want to first briefly address Mr. Firestone's claim that the Joint Applicants' failed to timely file their objections to his discovery requests.

Mr. Firestone's discovery requests were served on July 31, 2014. According to the revised Procedural Schedule in PSC Order No. 8616, the Applicants were required to file their responses, including objections, on or before August 20. Since the Joint Applicants timely filed their responses to discovery, including objections, on August 20, this is a non-issue.

- 4. The Scheduling Order (aka Revised Merger Schedule) in this docket, which is attached as Exhibit A to Commission Order 8616 however required that: "If the Applicants have an Objection to any initial discovery request, it must be served within seven (7) calendar days of receipt of the initial discovery request." See Paragraph 3a, Exhibit A to Order 8616.
- 5. Because as noted in Order 8624, my discovery request was served on July 31, 2014, the Joint Applicants' objections had to be filed by August 7, not August 20. Thus any categorical objection had to be filed by August 7.
- 6. Because the Joint Applicants did not file any objections on August 7, they could not later object to any discovery request in its entirety (or any subparts, which as the Senior Hearing Examiner held are separate interrogatories). Order 8624 is however,

premised (incorrectly) on the notion that the Joint Applicants could do so as late as

August 20.

7. Further, the language quoted in paragraph 8 of Order 8624 that "The Joint Applicants

object to this request on grounds that it is overly broad, burdensome, and outside the

scope of this intervener's limited intervention" is not an "initial objection"; but rather

was a specific objection included only in response to interrogatories 14 and 16 and to

document production request 1. It thus could not have insulated other responses, even

if the Joint Applicants had timely made those objections on August 7.

8. As I also noted in my reply, there were some objections that were not raised even on

August 20, but rather only in response to my motion (e.g., those related to

interrogatory 9), and thus, they cannot be a basis for the ruling on the my motion.

WHEREFORE, for the reasons set forth above, Jeremy Firestone, pro se, request the Hearing

Examiner

3.

1. Reconsider Order 8624

2. Order the Joint Applicants to answer fully each discovery request and produce

the withheld documents.

Provide that Jeremy Firestone's follow-up discovery may be supplemented

within seven (7) calendar days of receipt of compliant responses.

Respectfully submitted,

Jeremy Firestone

September 8, 2014

Interlocutory Exhibit 11

Subject: RE: Motion for Reconsideration

Date: Tuesday, September 9, 2014 at 5:23:41 AM Eastern Daylight Time

From: Lawrence, Mark (DOS)

To: Firestone, Jeremy Mark

CC: 'James Geddes', Donoghue, Julie M (DOS), McGonigle, Thomas P., Schoell, Joseph C., Sawyer,

Geoffrey A., Orr, Lindsay B., Louis, Kirsten Y., Maucher, Andrea (DOS), parcelld@tai-econ.com, maward@wcsr.com, Nickerson, Donna L (DOS), pamela.long@pepcoholdings.com, Bonar, David L

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'paul.bonney@exeloncorp.com' (paul.bonney@exeloncorp.com), 'Cohen, Gary'

(garybcohen@aol.com), 'darryl.bradford@exeloncorp.com' (darryl.bradford@exeloncorp.com),

McDowell, Connie (DOS), Teixeira, Ron (DOS), Bentley, Alisa C (DOS), Jim Black,

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(todd.goodman@pepcoholdings.com), 'westark@pepcoholdings.com'

(westark@pepcoholdings.com), 'kcfitzgerald@pepcoholdings.com'

(kcfitzgerald@pepcoholdings.com), Cantelmi, Cathlyn E., Iorii, Regina (DOJ),

mgang@postschell.com, Logan Welde

Mr. Firestone: Ms. McDowell is not, and has never been, authorized to speak on my behalf. She apparently misunderstood how I was handling this docket with DelaFile. What you seeking to do now is use her error to claim lack of notice of my Order on your Motion to Compel on and why you are not properly using the DelaFile system.

During the discovery conference yesterday, I explained to you that the filings in this case are being done through DelaFile, not email. The next Order you receive from me will be filed by me in DelaFile which will email notice to you of a filing. It will not be emailed to you. You need to check this docket constantly to see if any filings affect your interest. After two prior letters to the Service List, I am puzzled as to your claimed confusion.

Mark Lawrence Senior Hearing Examiner Delaware Public Service Commission 861 Silver Lake Blvd. Cannon Building, Suite 100 Dover, DE 19904

Tel: (302) 736-7540 Fax: (302) 739-4849

Email: mark.lawrence@state.de.us

Interlocutory Exhibit 12

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)	
OF DELMARVA POWER & LIGHT)	
COMPANY, EXELON CORPORATION,)	
PEPCO HOLDINGS, INC., PURPLE)	
ACQUISITION CORPORATION, EXELON)	PSC DOCKET NO. 14-193
ENERGY DELIVERY COMPANY, LLC AND)	
NEW SPECIAL PURPOSE ENTITY FOR)	
APPROVALS UNDER THE PROVISIONS OF)	
26 DEL. C. §§ 215 and 1016 (Filed June 18,)	
2014))	

JOINT APPLICANTS' RESPONSE IN OPPOSITION TO INTERVENOR JEREMY FIRESTONE'S MOTION FOR RECONSIDERATION

The Joint Applicants respectfully oppose the motion for reconsideration of Order No. 8624, filed by Intervenor Jeremy Firestone on September 8, 2014 (the "Motion"). As grounds for their opposition to the Motion, the Joint Applicants state as follows:

BACKGROUND

- 1. This docket concerns an application for approval of a merger of Pepco Holdings, Inc. ("PHI"), and Exelon Corporation ("Exelon"), filed June 18, 2014 (the "Application"). On July 8, 2014, the Commission designated Senior Hearing Examiner Mark Lawrence to serve as the Hearing Examiner for this matter. Order No. 8581 ¶ 2. On July 30, 2014, the Hearing Examiner allowed Mr. Firestone's intervention, and on August 5, 2014, the Hearing Examiner entered a written order formally granting Mr. Firestone's petition for intervention. Order No. 8603.
- 2. On July 31, 2014, Mr. Firestone served certain data requests, including interrogatories and requests for production of documents, on the Joint Applicants. After initially conferring with Mr. Firestone about his requests on August 6 (see below at ¶ 9), the Joint

Applicants responded to Mr. Firestone's data requests on August 20, 2014. Although the Joint Applicants' responses provided substantive answers to Mr. Firestone's discovery, the Joint Applicants' objected to certain requests to the extent that the particular request, as formulated by Mr. Firestone, would relate to matters outside the scope of Mr. Firestone's intervention, and to the extent that the request in question was overly broad or unduly burdensome as framed. *See* Responses to Firestone Interrogatories Nos. 14, 16, 17. As established below, this approach was fully consistent with the prior discussions of Mr. Firestone and the Joint Applicants' counsel. On August 21, 2014, Mr. Firestone filed a motion to compel further responses to discovery (the "Motion to Compel"). On August 26, 2014, the Joint Applicants filed a response in opposition to Mr. Firestone's Motion to Compel.

3. On August 27, 2014, the Hearing Examiner entered Order No. 8624, granting in part and denying in part Mr. Firestone's Motion to Compel. Specifically, the Hearing Examiner denied the Motion to Compel in part and sustained the adequacy of the Joint Applicants' responses to Interrogatories numbered 8, 9, 14, 15, 17 and 28, and the Joint Applicants' responses to Document Requests numbered 1, 2 and 4. See Order No. 8624 ¶¶ 15-18, 20-24. The Hearing Examiner granted the Motion to Compel in part, and ordered the Joint Applicants to provide a fuller response to Interrogatory No. 16. Order No. 8624 ¶ 19. On September 8, 2014, Mr. Firestone filed the Motion seeking reconsideration of Order No. 8624.

ARGUMENT

- 4. Mr. Firestone's Motion to reconsider Order No. 8624 should be denied because it is untimely and without merit. Order No. 8624 is a well-reasoned determination of issues entrusted to the Hearing Examiner's discretion, and Mr. Firestone's Motion presents no ground for reversing any portion of the Order.
- 5. Mr. Firestone's Motion for reconsideration is untimely. Order No. 8624 was entered on DelaFile on August 27, 2014, and Mr. Firestone did not move for reconsideration until September 8, 2014. The Commission's Rules of Practice and Procedure do not expressly provide for motions for reconsideration. *See* 26 Del. Admin. Code § 1000-2.7. The time period to seek reargument or reconsideration under the Superior Court Rules is five days. *See* Del. Super. Civil R. 59(e) ("A motion for reargument shall be served and filed within 5 days of the filing of the Court's opinion or decision"). Applying that standard here (and counting only business days in accordance with Superior Court Civil Rule 6(a)), the deadline to move for reargument or reconsideration was September 4, 2014, five business days (and eight calendar days) after the entry of Order No. 8624.
- 6. Mr. Firestone has not provided a proper ground to consider his Motion on an untimely basis. In his Motion, he states that he was unaware of Order No. 8624 until September 8, 2014. Motion ¶ 1. However, as pointed out in the Hearing Examiner's September 9, 2014, email correspondence and as noted during the telephonic discovery conference held September 8, 2014, the filings in the docket are made through DelaFile and it is incumbent upon the parties to remain informed of the docket. *See* Email dated September 9, 2014, attached as Exhibit A. Mr. Firestone provided an email indicating that he received his registration for DelaFile on

¹ As a comparison, interlocutory appeals to the Commission are required to be filed within just three days. *See* 26 Del. Admin. Code § 1000-2.16.2.

August 29, 2014 – after Order No. 8624 was entered. *See* Email dated September 9, 2014, attached as Exhibit B. Mr. Firestone had an opportunity to check for filings or correspondence on the docket when he became registered with the DelaFile system but did not do so. There is no basis to excuse Mr. Firestone's untimely filing of the Motion and therefore it should be denied. *See, e.g., Pitts v. City of Wilmington*, 2009 Del. Ch. LEXIS 93 at *1-*2 (Del. Ch. May 29, 2009) (denying motion for reargument as time-barred when filed outside the 5-day period provided for under Rule 59(e)); *Carriere v. Peninsula Ins. Co.*, 2002 Del. Super. LEXIS 91 at *5 (Del Super. Mar. 28, 2002), *aff'd*, 810 A.2d 349 (Del. 2002) (same).

- 7. Substantively, there is no basis for the Hearing Examiner to reconsider Order No. 8624. Motions for reargument will be denied unless the court has overlooked controlling precedent or legal principles or has misapprehended the law or facts such as would have changed the outcome of the underlying decision. *Beatty v. Smedley*, 2003 Del. Super. LEXIS 437 at *5 (Del. Super. Mar. 3, 2013) (internal citations omitted). A motion for reargument is not an opportunity to advance arguments that already have been considered and rejected by the Judge. *Plummer v. Sherman*, 2004 Del. Super. LEXIS 7 at * 7(Del. Super. Jan. 14, 2004).
- 8. Here, the main focus of the Motion is Mr. Firestone's contention that objections to his initial discovery that were incorporated into the Joint Applicants' responses were required to be made by August 7, 2014, and were not served until August 20, 2014. Motion ¶¶ 4-7. Order No. 8624 addressed and rejected this argument. Order No. 8624 ¶ 12. As explained in the Joint Applicants' Response in Opposition to Mr. Firestone's Motion to Compel, where they proposed to respond to a discovery request, they did not first submit an objection that would obviate the need for a response. Rather, the Joint Applicants' endeavored in good faith to

respond to such objectionable discovery requests to the extent that they reasonably could do so. *See* Response of August 26, 2014 at p. 2.

9. The Joint Applicants' handling of objections as described above conformed to earlier discussions with Mr. Firestone concerning how the Joint Applicants would handle discovery and objections. Counsel for the Joint Applicants met with Mr. Firestone on August 6. 2014. During that meeting, Mr. Firestone agreed to withdraw certain requests, without prejudice, subject to reviewing the Joint Applicants' responses to discovery by Staff and the Division of Public Advocate. In an email from Joint Applicants' counsel Todd Goodman to Mr. Firestone sent August 7, 2014, Mr. Goodman confirmed that the Joint Applicants would respond to certain requests that were objectionable, but would reserve their objections to such requests. Specifically, Mr. Goodman stated: "You agreed to modify several DRs and with respect to those modified DRs, the Joint Applicants agreed that while they will still raise certain objections, they will provide responses. In other words, those objections will not be of the type that require a 7 day response under the Scheduling Order." Exhibit C at p. 4 (email of Todd Goodman dated August 7, 2014 at 2:36 p.m.) (emphasis added). The next day, in response to an email from Mr. Firestone, Mr. Goodman again indicated that - rather than providing blanket objections and refusing to answer - the Joint Applicants would reserve objections and not file "7 day" objections. Mr. Goodman stated: "Thank you for your response. After reviewing it, I still think we are O.K. with not having to file any '7 day' objections." Exhibit C at p. 2 (email of Todd Goodman dated August 8, 2014 at 7:49 a.m.). Two hours later, Mr. Firestone confirmed that understanding, advising that the parties had agreed with respect to a specific Interrogatory, and stating: "And I will await your responses to staff and PA on the others to see if my questions were answered." Exhibit C at p. 1 (email of Jeremy Firestone dated August 8, 2014 at 9:43

- a.m.). In short, based upon the understanding of Mr. Firestone and the Joint Applicants concerning "7 day objections," the reservation of objections for those Interrogatories that the Joint Applicants would answer was entirely proper.
- Mr. Firestone's argued approach in the Motion would punish the Joint Applicants for making an effort to partially respond even to an objectionable request which is what the Joint Applicants did here (that is, instead of simply objecting, providing no substantive answer, and proceeding to motion practice over the objection). The Joint Applicants appropriately reserved their objections where they intended to provide a substantive response to Mr. Firestone's inquiry. Any notion that, in doing so, the Joint Applicants waived objections as to the overly broad and unduly burdensome nature of the requests is unfounded. Nor does the August 7 initial objection deadline somehow require the Joint Applicants now to respond to virtually limitless requests for information, which Mr. Firestone has improperly framed in an open-ended and argumentative fashion.
- 11. In a litigation context, matters of discovery are entrusted to the discretion of the trial court. See American Ins. Co. v. Synvar Corp., 199 A.2d 755, 758 (Del. 1964). Likewise, in proceedings before the Commission, the Hearing Examiner may limit or vary the discovery procedures in the interests of justice. See 26 Del. Admin. Code § 1000-2.6.4. It is also well settled that in administrative proceedings such as this docket, discovery procedure is less rigid than in formal litigation. See, e.g., Kotler v. Board of Medical Practice, 1993 Del. Super. LEXIS 60 at *13 (Del. Super. Jan. 19, 1993), aff'd, 630 A.2d 1102 (Del. 1993) (Table); Eckeard v. NPC Int'l, Inc., 2012 Del. Super. LEXIS 455 at *15 (Del Super. Oct. 17, 2012). Applying those principles in this context, the Hearing Examiner properly exercised discretion to restrict

discovery by Mr. Firestone to areas properly considered as part of this proceeding and related to Mr. Firestone's intervention interests, and to restrict the means of Mr. Firestone's proposed discovery in order to avoid unnecessary and undue burden as part of the discovery process.

Order No. 8624 is comprehensive and well-reasoned, and constitutes a proper exercise of the Hearing Examiner's discretion. There is no basis whatsoever to reconsider or reverse the Hearing Examiner's findings and Order.

CONCLUSION

For the reasons stated above, the Joint Applicants respectfully request that Mr. Firestone's Motion for Reconsideration be denied in its entirety.

DRINKER BIDDLE & REATH LLP

/s/ Joseph C. Schoell

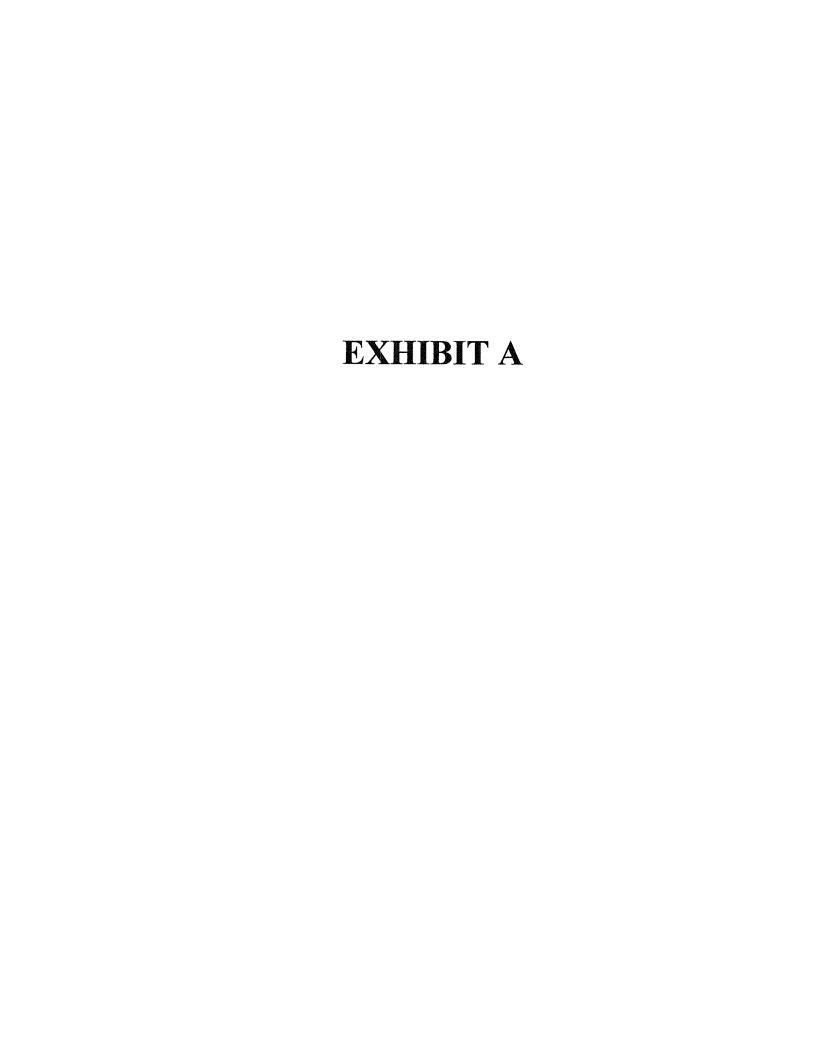
Thomas P. McGonigle (I.D. No. 3162) Joseph C. Schoell (I.D. No. 3133) 222 Delaware Avenue, Suite 1410 Wilmington, Delaware 19801

Tel: (302) 467-4200 Fax: (302) 467-4201

Thomas.McGonigle@dbr.com Joseph.Schoell@dbr.com

Counsel for Joint Applicants

September 11, 2014



Cantelmi, Cathlyn E.

From: Lawrence, Mark (DOS) <mark.lawrence@state.de.us>

Sent: Tuesday, September 09, 2014 5:24 AM

To: 'Firestone, Jeremy Mark'

Cc: 'James Geddes'; Donoghue, Julie M (DOS); McGonigle, Thomas P.; Schoell, Joseph C.;

Sawyer, Geoffrey A.; Orr, Lindsay B.; Louis, Kirsten Y.; Maucher, Andrea (DOS); parcelld@tai-econ.com; maward@wcsr.com; Nickerson, Donna L (DOS);

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'kcfitzgerald@pepcoholdings.com' (kcfitzgerald@pepcoholdings.com); Cantelmi,

Cathlyn E.; Iorii, Regina (DOJ); mgang@postschell.com; Logan Welde

RE: Motion for Reconsideration

Mr. Firestone: Ms. McDowell is not, and has never been, authorized to speak on my behalf. She apparently misunderstood how I was handling this docket with DelaFile. What you seeking to do now is use her error to claim lack of notice of my Order on your Motion to Compel on and why you are not properly using the DelaFile system.

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Mark Lawrence
Senior Hearing Examiner
Delaware Public Service Commission
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Tel: (302) 736-7540

Subject:

Fax: (302) 739-4849

Email: mark.lawrence@state.de.us

From: Firestone, Jeremy Mark [mailto:jf@udel.edu]
Sent: Monday, September 08, 2014 5:24 PM

To: Lawrence, Mark (DOS)

Cc: 'James Geddes'; Donoghue, Julie M (DOS); McGonigle, Thomas P.; Schoell, Joseph C.; Sawyer, Geoffrey A.; Orr, Lindsay B.; Louis, Kirsten Y.; Maucher, Andrea (DOS); parcelld@tai-econ.com; maward@wcsr.com; Nickerson, Donna L (DOS); pamela.long@pepcoholdings.com; Bonar, David L (DOS); aazad@overlandconsulting.com; rpfaff@overlandconsulting.com; mike.rafferty@jacobs.com; hlubow@overlandconsulting.com; Gannon, Patricia (DOS); irmalko@comcast.net; Farber, John (DOS); frank.dipalma@jacobs.com; 'paul.bonney@exeloncorp.com' (paul.bonney@exeloncorp.com); 'Cohen, Gary' (qarybcohen@aol.com); 'darryl.bradford@exeloncorp.com' (darryl.bradford@exeloncorp.com); McDowell, Connie (DOS); Teixeira, Ron (DOS); Bentley, Alisa C (DOS); Jim Black; lisa.decker@exeloncorp.com; apreate-regni@morganlewis.com; Howatt, Robert (DOS); DE-PHI EXCMergerDiscovery@morganlewis.com; fmurphy@msllaw.com; bburcat@marec.us; Firestone, Jeremy Mark; steve@gabelassociates.com; grace.kurdian@nrgenergy.com; maeve.tibbetts@monitoringanalytics.com; Price, Ruth A (DOS); watkinsq@tai-econ.com; jharris@bergerharris.com; jeffrey.mayes@monitoringanalytics.com; sholly@bergerharris.com; Noyes, Thomas G. (DNREC); cortney.madea@nrgenergy.com; Scott, Devera (DOJ); rwelchilin@overlandconsulting.com; pam.frank@gabelassociates.com; mgang@postchell.com; tony.deprima@deseu.org; abraham.silverman@nrgenergy.com; rich.preiss@gabelassociates.com; bobrien@chpk.com; dcanter@postschell.com; Dillard, Janis L (DOS); 'bmcglinn@morganlewis.com' (bmcglinn@morganlewis.com); 'tgadsden@morganlewis.com' (tgadsden@morganlewis.com); heather.hall@pepcoholdings.com; Todd Goodman (todd.goodman@pepcoholdings.com) (todd.goodman@pepcoholdings.com); 'westark@pepcoholdings.com' (westark@pepcoholdings.com); 'kcfitzgerald@pepcoholdings.com' (kcfitzgerald@pepcoholdings.com); Cantelmi, Cathlyn E.; Iorii, Regina (DOJ); mgang@postschell.com; Logan Welde Subject: Motion for Reconsideration

Dear Senior Hearing Examiner Lawrence,

Please find my Motion for Reconsideration of Order 8624 (on Firestone Motion to Compel) and certificate of service.

Respectfully submitted,

Jeremy Firestone

EXHIBIT B

Cantelmi, Cathlyn E.

From: Firestone, Jeremy Mark <if@udel.edu> Sent: Tuesday, September 09, 2014 6:58 AM To: Lawrence, Mark (DOS) Cc: 'James Geddes'; Donoghue, Julie M (DOS); McGonigle, Thomas P.; Schoell, Joseph C.; Sawyer, Geoffrey A.; Orr, Lindsay B.; Louis, Kirsten Y.; Maucher, Andrea (DOS); parcelld@tai-econ.com; maward@wcsr.com; Nickerson, Donna L (DOS); pamela.long@pepcoholdings.com; Bonar, David L (DOS); aazad@overlandconsulting.com; rpfaff@overlandconsulting.com; mike.rafferty@jacobs.com; hlubow@overlandconsulting.com; Gannon, Patricia (DOS); jrmalko@comcast.net; Farber, John (DOS); frank.dipalma@jacobs.com; 'paul.bonney@exeloncorp.com' (paul.bonney@exeloncorp.com); 'Cohen, Gary' (garybcohen@aol.com); 'darryl.bradford@exeloncorp.com' (darryl.bradford@exeloncorp.com); McDowell, Connie (DOS); Teixeira, Ron (DOS); Bentley, Alisa C (DOS); Jim Black; lisa.decker@exeloncorp.com; apreateregni@morganlewis.com; Howatt, Robert (DOS); DE-PHI_EXCMergerDiscovery@morganlewis.com; fmurphy@msllaw.com; bburcat@marec.us; steve@gabelassociates.com; grace.kurdian@nrgenergy.com; maeve.tibbetts@monitoringanalytics.com; Price, Ruth A (DOS); watkinsg@tai-econ.com; iharris@bergerharris.com; jeffrey.mayes@monitoringanalytics.com; sholly@bergerharris.com; Noyes, Thomas G. (DNREC); cortney.madea@nrgenergy.com; Scott, Devera (DOJ); rwelchilin@overlandconsulting.com; pam.frank@gabelassociates.com; mgang@postchell.com; tony.deprima@deseu.org; abraham.silverman@nrgenergy.com; rich.preiss@gabelassociates.com; bobrien@chpk.com; dcanter@postschell.com; Dillard, Janis L (DOS); 'bmcglinn@morganlewis.com' (bmcglinn@morganlewis.com); 'tgadsden@morganlewis.com' (tgadsden@morganlewis.com); heather.hall@pepcoholdings.com; Todd Goodman (todd.goodman@pepcoholdings.com) (todd.goodman@pepcoholdings.com); 'westark@pepcoholdings.com' (westark@pepcoholdings.com); 'kcfitzgerald@pepcoholdings.com' (kcfitzgerald@pepcoholdings.com); Cantelmi,

Subject:

Dear Senior Hearing Examiner Lawrence,

I apologize for my confusion. I think my confusion arose because although I was registered with Delafile and was able to make a filing on August 27, 2014 (the same day as your order), and receive confirmation of the same, I was not receiving notices of documents filed by others on Delafile until August 29, 2014 (two days after your order). Please see below. As you also may recall, earlier I was not able to file documents, because despite having been granted party status, the system did not recognize me as a party; this was resolved on August 21, with the assistance of staff).

Re: Motion for Reconsideration

Cathlyn E.; Iorii, Regina (DOJ); mgang@postschell.com; Logan Welde

To avoid future issues such as this, I will endeavor to check Delafile daily in addition to relying on automated Delafile notices.

Respectfully,

Jeremy

From: "psc delafile do not reply@iteksolutionsinc.net" <psc delafile do not reply@iteksolutionsinc.net>

Date: Friday, August 29, 2014 at 3:07 PM
To: jeremy firestone < if@udel.edu >
Subject: Subscription to E-Filing

Hello Jeremy Fireston,

Welcome to the Delaware Public Service Commission online system, DelaFile.

You have subscribed successfully to receive notifications for the following filings or docket types: 14-193

To unsubscribe or modify your account, please click on the link below:

https://delafile.delaware.gov/Subscribe.aspx?ID=OTIz

Do not reply to this email as this is a system generated email. If you have received this email erroneously, please notify <u>delafileadmin@state.de.us</u>.

Thank you,
Delaware Public Service Commission.

EXHIBIT C

Cantelmi, Cathlyn E.

From: Schoell, Joseph C.

Sent: Thursday, September 11, 2014 7:51 AM

To: Schoell, Joseph C.

--- Forwarded by Todd Goodman/KG/PEP on 09/10/2014 05:37 PM ----

From: Todd Goodman/KG/PEP

To: "Firestone, Jeremy Mark" < if@udel.edu >,

Cc: "Thomas.McGonigle@dbr.com" < Thomas.McGonigle@dbr.com>

Date: 08/08/2014 09:48 AM

Subject: Re: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Sounds good, Jeremy. Thanks

Todd L. Goodman Associate General Counsel Pepco Holdings. Inc. Legal Services 500 North Wakefield Drive Mailstop 92DC42 Newark, Delaware 19702

302-429-3786 - Phone 302-429-3801 - Fax

302-353-7979 - Business Cell

Email: todd.goodman@pepcoholdings.com

From: "Firestone, Jeremy Mark" <if@udel.edu>

To: "todd.goodman@pepcoholdings.com" <todd.goodman@pepcoholdings.com>,

Cc: "Thomas.McGonigle@dbr.com" <Thomas.McGonigle@dbr.com>

Date: 08/08/2014 09:43 AM

Subject: Re: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Todd,

Thanks. Let's keep 28 with "material" I also agree support staff are not included. I think we are good on 14. And I will await your responses to staff and PA on the others to see if my questions were answered.

Jeremy

From: "todd.goodman@pepcoholdings.com" <todd.goodman@pepcoholdings.com>

Date: Friday, August 8, 2014 at 7:49 AM
To: jeremy firestone < <u>if@udel.edu</u>>

Cc: "Thomas.McGonigle@dbr.com" < Thomas.McGonigle@dbr.com>

Subject: Re: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Jeremy:

Thanks for your response. After reviewing it, I still think we are O.K. with not having to file any "7 day" objections.

I will note that with respect to number 28, we discussed the idea of not capturing support staff (those who help organize the responses as opposed to providing the substantive information) and that adding "substantive" to "material" would better capture that intent, but Tom and I have no problem removing the word "substantive" if that makes you more comfortable. Consider the word "substantive" to be removed. We were not attempting to change any understanding that had been reached.

With respect to 14, I want to make clear that Tom and I can only <u>anticipate</u> that a response would most likely direct you to the multiple documents where factors that were considered in the merger are identified and discussed. As I know you understand, counsel does not answer the interrogatories – the witnesses do that. It is the position of counsel that requesting "any factors considered" in the decision to enter into the merger agreement is overly broad, unduly burdensome and has relevance problems that require, not a complete (7-day) objection, but rather, a limiting objection followed by a substantive response to the request. As such, we can provide a substantive response to number 14 without waiving any objections, making a "7-day" objection filing unnecessary.

Please let me know if we have anything left to work out at this point, but I consider us to be in good shape for now. Thanks again for your efforts at resolving these issues. - Todd

Todd L. Goodman Associate General Counsel Pepco Holdings. Inc. Legal Services 500 North Wakefield Drive Mailstop 92DC42 Newark, Delaware 19702

302-429-3786 - Phone 302-429-3801 - Fax

302-353-7979 - Business Cell

Email: todd.goodman@pepcoholdings.com

From: "Firestone, Jeremy Mark" < if@udel.edu>

To: "todd.goodman@pepcoholdings.com" <todd.goodman@pepcoholdings.com>,

Cc: "Thomas.McGonigle@dbr.com" < Thomas.McGonigle@dbr.com>

Date: 08/07/2014 04:50 PM

Subject: Re: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Todd,

Thank you for summarizing. Let me respond.

14. I agree based on your statement that if you did respond, it would just reference the application/direct testimony. That is, the

application encompasses "all factors considered" by Exelon in entering into the merger. That seems doubtful to me, but I will rely on your word.

- 16. I do not believe that we actually discussed this interrogatory specifically. We talked about it generally while discussing another interrogatory and I said I thought the general notion of comparing to the others was clearly fair play given the comparison made by Susan Tierney in her testimony.
- 17. We discussed why I wanted the information only and I indicated that what I most wanted was the average number of shares held.
- 18-19, 25 and 26. I agreed to forebear based on your representation that the information would be disclosed in response to either PA or staff discovery.
- 20-24. I indicated that I would not require answers now, but in any event given they were discussed in Susan Tierney's testimony they would be part of her deposition.
- 28. The term we discussed was "in a material way"
- RFP2. Just to be clear "data request" should be "interrogatory"

I am Ok with including 16 and 17 in the same agreement provided that you are otherwise producing this information in response to a discovery request from staff or from the PA.

Given the voluminous nature of those requests, I would ask that you direct to portions of your answers or document production where I can find the answers. Also given my agreements, it is my expectation that I will get something more than non-answer answers to the remaining discovery requests.

I understand time is of the essence and we may still have a few things to work out. If we are unable to work them out, I will not object to you filing an objection tomorrow and you can represent the same to the hearing examiner.

I do think yesterday's discussion was productive. But let me make clear by my agreements to these changes to my discovery requests, you should not be under any misimpression. It is hard for me to see it other than that Exelon has a ways to go to meet the public interest standard given the dearth of attention to renewables in the application and given Exelon's position on the PTC.

Jeremy

From: "todd.goodman@pepcoholdings.com" <todd.goodman@pepcoholdings.com>

Date: Thursday, August 7, 2014 at 2:36 PM

To: jeremy firestone < if@udel.edu>

Cc: "Thomas.McGonigle@dbr.com" <Thomas.McGonigle@dbr.com>

Subject: Delmarva/Exelon DE PSC Merger Docket - First Round of Data Requests

Jeremy:

Thanks again for meeting with Tom and me yesterday. As we promised, I'm sending this email to confirm the agreements we reached concerning several of the data requests (DRs) in your first set.

You agreed to withdraw several DRs. We agreed that you reserve your right to ask any of the withdrawn DRs on follow-up and that the Joint Applicants reserve their rights to object. Tom and I affirm that in the event you ask any of the withdrawn questions on follow-up and the Joint Applicants

object, in part or in whole to those questions, we will not base such objections upon the fact that you agreed to withdraw the questions in this round of discovery.

The withdrawn Interrogatories are: 14.16 - 26.

You agreed to modify several DRs and with respect to those modified DRs, the Joint Applicants agreed that while they will still raise certain objections, they will provide responses. In other words, those objections will not be of the type that require a 7 day response under the Scheduling Order.

You agreed that the following DRs are modified to now read as follows:

Int 28: Identify each person who participated in, supplied information to, or assisted in a material/substantive manner the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

RFP 2: Produce a copy of the CV or resume of each person who is: (a) identified as the respondent to a data request but is not a witness sponsoring prefiled testimony and (b) a witness who is sponsoring prefiled testimony but did not include a CV with the prefiled testimony in response to interrogatory 27 and to interrogatory 28.

RFP 6: Provide a copy of all documents related to With respect to the Joint Petition of Approval of Settlement and the Joint Settlement entered into in case 9271 before the Public Service Commission of Maryland (the BGE/Exelon merger in Maryland), provide a copy of all public statements made, press releases, testimony, etc. related to renewable energy made by Exelon or any of its affiliates.

Let us know if you believe that we have mischaracterized any of our agreements or if I overlooked any others. Again, we appreciate your willingness to work together to avoid discovery disputes.

Thanks - Todd

Todd L. Goodman Associate General Counsel Pepco Holdings. Inc. Legal Services 500 North Wakefield Drive Mailstop 92DC42 Newark, Delaware 19702

302-429-3786 - Phone 302-429-3801 - Fax 302-353-7979 - Business Cell

Email: todd.goodman@pepcoholdings.com

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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF DELMARVA POWER & LIGHT COMPANY, EXELON CORPORATION, PEPCO HOLDINGS, INC., PURPLE ACQUISITION CORPORATION, EXELON ENERGY DELIVERY COMPANY, LLC AND NEW SPECIAL PURPOSE ENTITY FOR APPROVALS UNDER THE PROVISIONS OF 26 DEL. C. §§ 215 and 1016 (Filed June 18,)))))) PSC DOCKET NO. 14-193))
26 DEL. C. §§ 215 and 1016 (Filed June 18, 2014))

CERTIFICATE OF SERVICE

I, hereby certify that on this 11th day of September, 2014, that the within document was filed with the Public Service Commission, via DelaFile and mailed to:

Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building, Suite 100 Dover, DE 19904

I further certify, on this same date, I e-mailed a copy of the same to all of the recipients identified on the Service List. See https://delafile.delaware.gov/Global/AdvanceSearch.aspx (last visited September 11, 2014).

DRINKER BIDDLE & REATH LLP

/s/ Joseph C. Schoell
Thomas P. McGonigle (I.D. No. 3162)

Joseph C. Schoell (I.D. No. 3133) 222 Delaware Avenue, Suite 1410

Wilmington, Delaware 19801

Tel: (302) 467-4200 Fax: (302) 467-4201

Thomas.McGonigle@dbr.com Joseph.Schoell@dbr.com

Dated: September 11, 2014

Interlocutory Exhibit 13

From: "todd.goodman@pepcoholdings.com"

<todd.goodman@pepcoholdings.com>

Date: Tuesday, September 9, 2014 at 8:48 AM

To: jeremy firestone < jf@udel.edu>

Cc: "McGonigle, Thomas P." < Thomas.McGonigle@dbr.com>

Subject: Re: discovery disputes

We were unaware of the order until yesterday when it was discussed during the conference call, Jeremy. We probably had the same look on our faces as you did.

Todd L. Goodman Associate General Counsel Pepco Holdings. Inc. Legal Services 500 North Wakefield Drive Mailstop 92DC42 Newark, Delaware 19702

302-429-3786 - Phone 302-429-3801 - Fax 302-353-7979 - Business Cell

Email: todd.goodman@pepcoholdings.com

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT COMPANY,)
EXELON CORORPATION, PEPCO HOLDINGS) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,)
EXELON ENERGY DELIVERY COMPANY, LLC)
AND SPECIAL PURPOSE ENTITY, LLC)
FOR APPROVALS UNDER THE PROVISIONS)
OF 26 Del. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

CERTIFICATE OF SERVICE

I hereby certify that on September 11, 2014, that I caused **INTERVENOR JEREMY FIRESTONE'S REPLY TO MOTION FOR RECONSIDERATION OF FIRST MOTION TO COMPEL DISCOVERY** to be served on all parties on the email service list by email attachment.

Respectfully submitted,

Jeremy Firestone 11 September 2014

Interlocutory Exhibit 14

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT COMPANY,)
EXELON CORORPATION, PEPCO HOLDINGS) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,)
EXELON ENERGY DELIVERY COMPANY, LLC)
AND SPECIAL PURPOSE ENTITY, LLC)
FOR APPROVALS UNDER THE PROVISIONS)
OF 26 Del. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

INTERVENOR JEREMY FIRESTONE'S FOLLOW-UP REQUESTS FOR ADMISSION, INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO DELMARVA POWER & LIGHT COMPANY, PEPCO HOLDINGS, INC., EXELON CORPORATION, EXELON ENERGY DELIVERY COMPANY, LLC, AND SPECIAL PURPOSE ENTITY, LLC

Jeremy Firestone 130 Winslow Road Newark, DE 19711 302 831-0228 (office/day) jf@udel.edu Pro Se

Intervenor Jeremy Firestone, pursuant to Delaware Public Service Commission Rules and the Scheduling Order in this matter, hereby directs the following requests for admission, interrogatories and requests for production of documents.

INSTRUCTIONS

- 1. Each request for admission and interrogatory solicits all knowledge and information that is available to Exelon or Pepco or obtainable through their agents, representatives, lobbyists, employees, investigators, attorneys, sureties, indemnitors, or any other person employed by or connected with it or subject to its control.
- 2. If an interrogatory has subparts, Exelon and Pepco must answer each subpart separately and in full and not limit its answers to the interrogatory as a whole.

- 3. If Exelon or Pepco cannot answer any interrogatory, or subpart thereof, to the extent possible, it is to explain why it is unable to answer further and state whatever information and knowledge it has regarding the unanswered portion.
- 4. If Exelon or Pepco objects to part of a discovery request and refuses to answer that part, Exelon shall state its objection and answer the remaining portion of the discovery. If Exelon or Pepco deems part, but not all, of any discovery request herein as objectionable or as calling for information that it claims is privileged or protected, then it shall provide all information, documents or things that respond to the parts or aspects of the discovery to which no objection or claim of privilege or protection is made. If, in response to these discovery requests, any ambiguity arises in construing any interrogatory, instruction or definition, or if any interrogatory, instruction or definition is considered vague, set forth the matter deemed ambiguous or vague and the construction used in responding.
- 5. In responding to these requests for production of documents, you are required to produce all documents, wherever located, in your possession, custody or control or otherwise available to you, including, without limitation, documents in the possession of your attorneys or their investigators, accountants, consultants, or associates whether past or present.
- 6. In the event a document, or portion thereof, is withheld for any reason, indicate the following information for each such withheld document, or portion thereof:
 - (a) The date of the document;
 - (b) The general character or type of document;
 - (c) The identity of the person in possession of the document;

- (d) The identity of the author of the document;
- (e) The identity of the recipient or holder of the document; and
- (f) The reason, including, but not limited to, any legal obligation or privilege for withholding the document, or portion thereof.
 - 7. These requests for admission and interrogatories shall be deemed continuing, and if Exelon or Pepco directly or indirectly obtains further information, the answer to these Interrogatories must be supplemented to the maximum extent authorized by the law within a reasonable time after Exelon and/or Pepco receives the additional information.
 - 8. If any document is withheld under claim of privilege, the privilege involved shall be stated and each document shall be identified by type of document, date, author, subject matter, recipients, and relationship of author to recipient, and a description sufficient to allow the court to determine the propriety of the privilege claim.
 - 9. For the convenience of the parties, please restate in full the discovery request to which each response or answer relates.

DEFINITIONS

- 1. "Exelon," means Exelon Corporation and Exelon Energy Delivery Company, LLC, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers, commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.
- 2. "Pepco" or "PHI" means Pepco Holdings, Inc. and Delmarva Power & Light Company, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers,

commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.

- 3. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 4. "BGE" means Baltimore Gas and Electric Company.
- 5. "CEG" means Constellation Energy Group.
- 6. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 7. "Person" means any natural person or any business, legal, or governmental entity or association.
- 8. The terms "person" or "persons" shall mean and refer to the plural as well as the singular of any natural individual, or any business, legal or government entity or association, including any firm, corporation, partnership, sole proprietorship, group, trust, estate.
 - 9. "PTC" shall mean Production Tax Credit
 - 10. "wind PTC" shall mean the PTC for wind power
- 11. "nuclear PTC" shall mean PTC for new nuclear power facilities placed in service before 2021 and adopted as part of the Energy Policy Act of 2005.
 - 12. "REC" shall mean renewable energy credit.
 - 13. "SREC" shall mean a solar REC
- 14. "Rock Island Clean Energy Line" shall mean the transmission line proposed by Rock Island Clean Energy Line, LLC.
 - 15. "RPS" shall mean Renewable Portfolio Standards.
 - 16. "Identify," "identification" or "identity" as applied to a person means to provide:
 - (a) When used in reference to a natural person: full name; present or last known business and residence addresses and telephone numbers; present or last known business

affiliation; and present or last known business positions (including job title and a description of job functions, duties and responsibilities);

- (b) When used in reference to any entity other than a natural person: its full name; the address and telephone number of its principal place of business; the jurisdiction under the laws of which it has been organized or incorporated; the identity of all persons who acted and/or who authorized another to act on its behalf in connection with the matters referred to; in the case of a corporation, the names of its directors and principal officers; and
- (c) In the case of an entity other than a corporation, the identities of its partners or principals or all persons who acted or who authorized another to act on its behalf in connection with the matters referred to.
- 17. The terms "identify," "identification" or "identity" as applied to an oral communication means to provide the following information:
 - (a) By whom it was made and to whom it was directed;
 - (b) Its specific subject;
 - (c) The date upon which it was made;
 - (d) Who else was present when it was made; and
 - (e) Whether it was recorded, described or summarized in any writing of any type and, if so, the identity of each such writing in the manner indicated below.
- 18. The terms "identify," "identification" or "identity" as applied to a written communication or document means to provide the following information:
 - (a) Its nature (e.g., letter, memorandum, telegram, note, drawing, etc.);
 - (b) Its specific subject;
 - (c) By whom it was made and to whom it was directed;

- (d) The date upon which it was made; and
- (e) Who has possession of the original copies.
- 19. "Communication" or "communications" means and refer to without limitation, any document, statement, or expression which constitutes, embodies, evidences or relates to any transmission of a word, statement, fact, thing, idea, writing, instruction, demand or question, whether oral or written, including but not limited to letters, telecopies, telexes, e-mails, voicemails, meetings, discussions, conversations, telephone calls, memoranda, conferences or seminars.
- 20. "Relating to" means containing, constituting, considering, comprising, concerning, discussing, regarding, describing, reflecting, studying, commenting or reporting on, mentioning, analyzing, or referring, alluding, or pertaining to, in whole or in part.
- 21. "Date" means the exact day, month and year, if ascertainable, or, if not, the best approximation (including relationship to other events).
- 22. The term "document" as used herein is employed in the broadest possible sense under the Commission's rules to include any medium upon which information is recorded or preserved, by whomever generated or received, and means, without limitation, any written, printed, typed, photostated, photographed, recorded, taped or otherwise reproduced communications, compilations or reproductions including computer generated or stored information or data, whether asserted to be privileged or not and including all copies or drafts of any document which differs (by annotation or otherwise) in any respect from the original.
- 23. Unless otherwise specifically stated, these Requests encompass documents, which were created, received, or generated or otherwise entered into your possession, custody, or control between January 1, 1998 and the present.

REQUESTS FOR ADMISSION

A. Directed to Exelon

- 1. There has been an overbuild of wind power capacity.
- 2. Exelon advocates for market-based approaches to electricity generation
- 3. Exelon opposes subsidies for land-based wind power.
- 4. Exelon opposes the wind PTC.
- 5. State RPS laws are subsidies.
- 6. State RPS laws are non-market based approaches.
- 7. RPS laws are a down payment toward a sound climate policy
- 8. Delaware's RPS is within the State of Delaware's right.
- 9. Exelon's purpose is to run a business and provide a return to shareholders while providing a product that consumers can use.
- 10. Exelon makes decisions to support or oppose modifications to RPS laws based on its private, commercial interests.
 - 11. RPS laws present a market and financial risk to Exelon.
- 12. Exelon makes decisions to support or oppose modifications to RPS laws based on its fiduciary obligations to shareholders.
- 13. Exelon is more interested in protecting the profitability of the large number of nuclear generation plants it owns than in advancing the interests of Delmarva Power ratepayers.
 - 14. RPS is a non-market based approach.
 - 15. Delaware RPS plays favorites.
- 16. Exelon did not support the Rock Island Clean Energy Line, LLC's request to the Illinois Commerce Commission to issue RICEL a Certificate of Public Convenience and Necessity.

- 17. The Rock Island Clean Energy Line if constructed would bring wind power to PJM.
 - 18. The Rock Island Clean Energy Line is merchant line.
 - 19. The Rock Island Clean Energy Line is a market-based transmission project.
- 20. Exelon is considering seeking regulatory approval of a transmission line that would require regulators to force ratepayers to finance that transmission line though higher electric bills.
 - 21. Exelon's transmission project is a non-market transmission project.
- 22. Exelon's "Big Wind" scenario evaluated in its 2011 update of its 2020 planned was named "Big Wind" in part to create a negative impression of the wind industry.
- 23. The PTC has resulted in more wind power capacity being installed than if the PTC was never adopted.
- 24. Renewing the PTC will result in more wind power capacity being installed than if the PTC is not renewed.
- 25. The spot market price of electricity is generally set by the marginal cost of supplying the next unit of electricity in a given hour.
- 26. The law of supply and demand means that if less wind power capacity is installed the price of electricity to consumers will be greater.
- 27. If less wind power capacity is built, the law of supply and demand means that the price of RECs will increase.
- 28. If less wind power capacity is built, there is an increased likelihood that the REC price cap under Delaware law will be exceeded.

- 29. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to pay more to meet the REC obligation embodied in Delaware State Law than if it does not prevail
- 30. If Exelon's position on the PTC prevails, there is an increased likelihood that the REC price cap under Delaware law will be exceeded.
- 31. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to pay more for electricity.
- 32. The benefits of electricity from renewable energy resources accrue to the public at large.
- 33. Electric suppliers and consumers share an obligation to develop renewable energy resources in the electricity supply portfolio of the state of Delaware.
- 34. If the Rock Island Clean Energy Line is built, wind power will cost less in PJM than if it were not built.
- 35. If the Rock Island Clean Energy Line is built, Delmarva Power ratepayers will have to pay less to meet the REC obligation embodied in Delaware State Law.
- 36. If the Rock Island Clean Energy line is built, there will be less coal generation in western PJM
- 37. If the Rock Island Clean Energy line is built, there will be less coal generation upwind of Delaware.
 - 38. Energy efficiency measures reduce electricity demand.
- 39. A reduction in demand for electricity reduces market prices for electricity, all other things being equal.
 - 40. Energy efficiency is not in the best interest of Exelon's shareholders.

- 41. When new wind power capacity is constructed in PJM and wind power is subsequently generated, all or most of the generation displaced is from coal, natural gas and oil-fueled plants.
- 42. When new wind power capacity is constructed in western PJM and wind power is subsequently generated, some of the fossil fuel generation displaced is upwind of Delaware.
- 43. When new wind power capacity is constructed in western PJM and wind power is subsequently generated, there are air quality benefits for Delaware.
 - 44. The PTC has benefited states beyond those that have mandatory RPS.
- 45. More than 10,000MW of installed capacity of wind power are in the eight states and two territories that have a voluntary RPS.
- 46. More than 3000MW of installed capacity of wind power in the states without voluntary or mandatory RPS.
 - 47. Siemens Wind Power is headquartered in Florida.
 - 48. Next Era Energy Resources is headquartered if Florida
 - 49. General Electric has a wind turbine manufacturing facility in South Carolina
 - 50. The large wind turbine drivetrain testing facility is in South Carolina.
 - 51. Neither Florida nor South Carolina has an RPS law.
 - 52. Many nuclear plants in France are load-following.
 - 53. Exelon's nuclear plants are not load-following.
- 54. If Exelon's nuclear plants were load-following, Exelon could mitigate harm caused to it by negative LMPs.
 - 55. Exelon supports laws and/or policies that subsidize nuclear power.
 - 56. Exelon supports the nuclear PTC.

- 57. The nuclear PTC is a non-market based approach.
- 58. The nuclear PTC is a subsidy.
- 59. Nuclear power is a mature industry.
- 60. The Price Anderson Act of 1957, as amended, results in lower prices for nuclear power.
 - 61. The Price Anderson Act of 1957, as amended, subsidizes nuclear power.
- 62. The Price Anderson Act of 1957, as amended, does not treat all carbon-free resources equally.
 - 63. Accelerated depreciation of new nuclear plants is a subsidy.
 - 64. Exelon supports loan guarantees for new nuclear plants.
- 65. Loan guarantees for new nuclear plants create an advantage for new nuclear generation.
 - 66. Nuclear power has social costs.
- 67. Exelon does not pay the fair market value for water for the majority of its thermal generation plants, including nuclear.
- 68. The operation of Exelon's thermal generation plants results in the entrainment and impingement of fish and fish larvae.
- 69. The environmental impacts of nuclear power are greater than the environmental impacts of wind power.
 - 70. Exelon supports subsidies for nuclear power.
 - 71. The organization "Nuclear Matters" was set up by Exelon.
 - 72. The organization "Nuclear Matters" is controlled by Exelon.

73. A purpose of the proposed all-cash transaction for PHI was to be able to exert greater influence on renewable energy policies in states within PJM.

B. **Directed to PEPCO**

- 74. Pepco supports the Delaware RPS law.
- 75. Pepco does not oppose renewal of the wind PTC.
- 76. Pepco supports more wind power capacity regardless of its effect on the profitability of nuclear generation.
- 77. Pepco supports more solar power capacity regardless of its effect on the profitability of nuclear generation.

INTERROGATORIES

- 1. With respect to every request for admission which you denied in whole or in part:
 - (a) State the facts that form the basis of your denial.
- (b) Identify each person, including natural person, with knowledge of the facts that form the basis of your denial.
 - (c) Identify any documents that you contend support your denial.
- (d) Identify any documents that may tend to undermine support for your denial.
- 2. With respect to every request for admission that you give lack of information or knowledge as a reason for failure to admit or deny:
- (a) Identify each person, including natural person, with knowledge related to the request for admission.
 - (b) Identify any documents related to the request for admission.

- 3. With respect to every request for admission that you object to in whole or in part, state the basis for each and every objection.
- 4. Of the total MWs of wind generation owned by Exelon, how many MW are at wind project that was commissioned prior to Exelon's ownership and how many MW are at a wind project that was commissioned during Exelon's ownership.
- 5. Please explain in detail the relationship between Exelon and Nuclear Matters, including any role Exelon played in setting up Nuclear Matters, the extent of funding and control Exelon exercises over Nuclear Matters, and why Exelon uses Nuclear Matters to advance nuclear power policy rather than or in addition to advancing nuclear power itself.
 - 6. Was the Pepco Board of Directors apprised of Exelon's positions on:
 - (a) The wind PTC;
 - (b) State RPS laws;
 - (c) The Rock Island Clean Energy Line
 - (d) Exelon's role in Nuclear Matters
- 7. Please identify and provide a detailed description of any communications or conversations Exelon has had with Pepco during the course of the merger discussions regarding wind power, the wind PTC or RPS laws.
- 8. Please identify and provide a detailed description of any communications or conversations or information relied on by Exelon's Board of Directors in consideration of the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.
- 9. Please identify and provide a detailed description of any communications or conversations or information relied on by Pepco's Board of Directors in consideration of the

merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

- 10. Please identify and provide a detailed description of any communications, including studies, that were not included in materials distributed to Exelon's Board of Directors, but were developed or occurred in support of presentations made, and provided to Senior Management on the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.
- 11. Please identify and provide a detailed description of any communications, including studies, that were not included in materials distributed to Pepco's Board of Directors, but were developed or occurred in support of presentations made, and provided to Senior Management on the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.
- 12. Did the Pepco Board of Trustees take into account in any manner Exelon's positions on any of the following when considering whether to merge with Exelon?:
 - (a) The wind PTC
 - (b) State RPS laws
 - (c) Transmission of clean energy
- (d) The relationship between wind energy and the profitability of Exelon's nuclear power plants.
- 13. If Pepco's Board of Trustees did take into account in any manner Exelon's positions on the wind PTC, State RPS law, transmission of clean energy or the relationship between wind energy and the profitability of Exelon's nuclear power plants, please identify in detail and explain how and when.

- 14. Did Pepco's Board of Trustees take into account, consider and/or determine that the merger would be fair to and in the best interests of ratepayers/customers?
- (a) If the answer is a qualified or unqualified "Yes," identify in detail and explain how and when it took such fairness and interests into account.
- (b) If the answer is anything other than an unqualified "Yes," identify in detail and explain why not.
- 15. Please identify and provide a detailed description of any communications, including studies, that have occurred as part of the merger integration, including those of the merger integration team, related to wind power, the wind PTC, or state RPS laws.
- 16. Please identify and provide a detailed description of any communications, including studies, that have occurred as part of the merger integration, including those of the merger integration team, related to Exelon's generation assets, including, but not limited to its, nuclear power plants.
- 17. Please identify and provide a detailed description and explain how, if at all, the merger integration team has taken into account customer/ratepayers interests in renewable energy in its integration decisions.
- 18. Considering existing Pepco practices on renewable energy generation, would you describe the merger philosophy as "retain as is"?
- (a) If the answer is anything other than an unqualified "Yes," identify the ways in which practices would change.
- 19. Considering existing Pepco practices on energy efficiency, would you describe the merger philosophy as "retain as is"?

- (a) If the answer is anything other than an unqualified "Yes," identify the ways in which practices would change.
- 20. Considering existing Pepco practices on demand response, would you describe the merger philosophy as "retain as is"?
- (a) If the answer is anything other than an unqualified "Yes," identify the ways in which practices would change.
- 21. For each of the following, Exelon identify the percentage generation in MWh/year for each of the past five years of Exelon-owned generation assets
 - (a) Nuclear
 - (b) Natural gas
 - (c) Coal
 - (d) Oil
 - (e) Hydropower
 - (f) Wind
 - (g) Solar
 - (h) Landfill gas
 - (i) Other
- 22. Explain the rationale for Pepco abandoning the integrated utility model with the sale of Conectiv.
- 23. With regard to the increase in total leaks repaired per 100 miles of main and service from 2012 to 2013 for Constellation, please indicate the reason for the more than 12 percent increase and indicate whether the increase was statistically significant.

- 24. Did Exelon support or oppose Senator Bingham's American Clean Energy Leadership Act of 2009, S. 1462? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the same? What reports if any were prepared for Exelon?
- 25. Did Pepco support or oppose Senator Bingham's American Clean Energy Leadership Act of 2009, S. 1462? Please identify the reason(s) why. Who did Pepco hire as a lobbyist in regard to the same? What reports if any were prepared for Pepco?
- 26. Does Exelon support or oppose Senator Coon's Master Limited Partnerships
 Parity Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the same? What reports if any were prepared for Exelon?
- 27. Does Pepco support or oppose Senator Coon's bill, Master Limited Partnerships Parity Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the same? What reports if any were prepared for Pepco?
- 28. Does Exelon support or oppose Senator Carper's bill, Incentivizing Offshore Wind Power Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the same? What reports if any were prepared for Exelon?
- 29. Does Pepco support or oppose Senator Carper's bill, Incentivizing Offshore Wind Power Act? Please identify the reason(s) why. Who did Pepco hire as a lobbyist in regard to the same? What reports if any were prepared for Pepco?
- 30. Please identify the total amount of tax credits that Exelon has claimed as a result of the wind PTC:
 - (a) Since its inception
 - (b) Since it began opposing the wind PTC.

- 31. Please identify the total amount of tax credits that Exelon estimates it will be able to claim as a result of the wind PTC in the future based on:
 - (a) Existing wind projects
 - (b) Wind projects under development
- 32. Has Exelon had any meetings or communications with US EPA regarding the proposed Clean Power Plant rule? If so, please identify and provide a detailed description of those communications, including any communication regarding structuring the final rule to protect the profitability of Exelon's nuclear power plant assets.
- 33. Does Pepco contend that Delmarva Power & Light will be able to meet the reliability commitments that are proposed in this docket if the merger does not occur?
- (a) If the answer is anything other than an unqualified "Yes," explain the basis for the response
- (b) If the answer is anything other than an unqualified "Yes," what Systems Average Interruption Disruption Index (SAIDI) within the Delaware operational area could be met by 2020 using the metrics proposed by Exelon?
 - 34. What is the direct value to Delmarva customers of:
- (a) The reliability improvement projects already announced by Pepco and/or underway
 - (b) The reliability commitments proposed by Exelon
- 35. With regard to the direct testimony of Dr. Tierney, p. 7, do you contend that Exelon and PHI did not need to submit the change in control of PHI to the jurisdiction of the Commission?

- (a) If the answer is anything other than an unqualified "No," explain the basis for the response.
- (b) If the answer is anything other than an unqualified "No," quantify the benefit to Delmarva Power & Light customers.
- 36. With regard to the direct testimony of Dr. Tierney, p. 8, explain how "maintaining" a local presence benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
- 37. With regard to the direct testimony of Dr. Tierney, p. 8, explain how "honoring" existing collective bargaining contracts and other labor-related actions for at least the first two years is a benefit rather than a detriment over what would result in the absence of Exelon's acquisition of PHI.
- 38. With regard to the direct testimony of Dr. Tierney, p. 8, explain how "retaining" low-income assistance programs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
- 39. With regard to the direct testimony of Dr. Tierney, p. 8, explain how not seeking recovery of merger-related costs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
- 40. Identify each person you intend to call as a witness (expert or otherwise) in this proceeding.
- 41. Identify each person, including natural person, who in a material way participated in, supplied information to, or assisted the person verifying the answers to or signing the answers to admissions, answers to the interrogatories and requests for production of documents, including

those person(s) who have provided information for such answers and those persons who are sponsoring an answer, stating with specificity the answer(s) involved.

REQUESTS FOR PRODUCTION

- 1. Produce all documents related to a response to the interrogatory requests.
- 2. Produce a copy of the CV or resume of each person who is identified as the individual sponsoring pre-filed testimony and (b) a witness who is sponsoring pre-filed testimony but did not include a CV with the pre-filed testimony.

Jeremy Firestone August 29, 2014

Interlocutory Exhibit 15

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER & LIGHT COMPANY,)
EXELON CORORPATION, PEPCO HOLDINGS) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,)
EXELON ENERGY DELIVERY COMPANY, LLC)
AND SPECIAL PURPOSE ENTITY, LLC)
FOR APPROVALS UNDER THE PROVISIONS	
OF 26 Del. C. §§ 215 AND 1016)
(FILED JUNE 18, 2014))

INTERVENOR JEREMY FIRESTONE'S SECOND MOTION TO COMPEL DISCOVERY

Jeremy Firestone 130 Winslow Road Newark, DE 19711 302 831-0228 (office/day) jf@udel.edu Pro Se

Intervenor Jeremy Firestone hereby moves the Senior Hearing Examiner to compel answers to admissions, answer to interrogatories and production of documents from Delmarva Power & Light Company ("Delmarva"), Pepco Holdings, Inc. (PHI), Exelon Corporation ("Exelon), Exelon Energy Delivery Company, LLC, ("EEDC") and Special Purpose Entity, LLC, ("SPE") (collectively, "Joint Applicants") which were served upon them on August 29, 2014. In support of its Motion, the following is provided:

Background

- 1. On July 27, 2014, the Movant, Jeremy Firestone, filed a timely Petition to Intervene
- 2. By email dated July 28, 2014, Todd Goodman, on behalf of the Joint Applicants, stated that they did not object to my Petition.

- My Petition was further discussed at the Scheduling Conference held on July 30,
 2014. Ultimately no objection was maintained. Significantly, the Joint Applicants did not request that my intervention be limited in any way. At the Scheduling
 Conference, my Petition to Intervene was granted orally.
- 4. On August 5, 2014, by Order No. 8603, the Senior Hearing Examiner granted my Petition to Intervene. The order provided that I, and others who had also sought intervention, were granted status broadly as "parties of record." (Paragraph 3). The only limitation placed on our interventions was that they were based on the then current posture of the Docket, including prior Commission orders and the July 31, 2014, "Revised Merger Schedule," a schedule whose construction I participated in during the July 30, 2014 Scheduling Conference. The Joint Applicants did not seek Commission review of that Order.
- On July 31 2014, I timely filed my Initial Phase Interrogatories and Requests for Production of Documents.
- 6. On or about August 6, 2014, I met with Thomas McGonigle and Todd Goodman, cocounsel for the Joint Applicants regarding my discovery requests. At that time I agreed to withdraw several discovery requests without prejudice and the Joint Applicant's co-counsel agreed they would not later interpose an objection in subsequent discovery phases that discovery related to the withdrawn requests was not follow-up discovery. We also agreed to limiting language in Interrogatory 28 and in Request of Production of Documents 2.
- 7. As initially drafted, Interrogatory 28 provided

Identify each person who participated in, supplied information to, or assisted the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

The agreed upon limitation was to only require the identification of those persons who participated in, supplied information to, or assisted "in a material way." The agreement was explicitly premised on co-counsel's representation that they would identify at least one individual for each and every interrogatory response, which in each case would include an individual who filed pre-filed testimony.

8. Request for Production 2 was modified and agreed to by the Joint Applicants and me as follows:

Produce a copy of the CV or resume of each person who is (a) Identified as a respondent to a data request but is not a Witness sponsoring prefiled testimony and (b) a witness who is sponsoring prefiled testimony but did not include a CV.

- 9. The Joint Applicants timely filed responses; however, may responses were nonresponsive or otherwise inadequate, while others the Respondents simply chose not to respond to despite (a) a Scheduling Order that required all blanket objections to have been made earlier and (b) the fact that they had previously agreed with me that they would respond, including Interrogatory 28 and Document Production 2, which I had agreed to modify in an accommodation to the Joint Applicants.
- 10. As a result of the Joint Applicants tactics, on August 21, 2014, I filed Jeremy Firestone's First Motion to Compel. That Motion has not been acted on to date. I incorporate it, any documents attached thereto, and the August 26, 2014 Reply, by reference, into the present Second Motion to Compel.

- 11. On August 29, 2014, I timely filed my Second Discovery Request, which included Requests for Admission, Interrogatories and Requests for Admissions, which is attached hereto, as Exhibit A.
- 12. Included in that Second discovery request was Interrogatory 41, which was modeled on the First Discovery Request Interrogatory 28 that as noted above was agreed to by counsel by the Joint Applicants. The only changes that I made were to make it as explicit as possible that I sought the identify not of a corporation but of a natural person and that I sought the identity of both sponsoring witnesses and those other individuals that participated in a discovery response in a material way and to reference "requests for admissions," as that discovery tool was not included in the first discovery request.

Identify each person, including natural person, who in a material way participated in, supplied information to, or assisted the person verifying the answers to or signing the answers to admissions, answers to the interrogatories and requests for production of documents, including those person(s) who have provided information for such answers and those persons who are sponsoring an answer, stating with specificity the answer(s) involved.

- 13. It also included Request for Production 2 that was taken from the earlier agreed to Request for Production from Firestone's First Set of Discovery Requests.

 Interestingly, the Joint Applicants do not object to this request (at least at this time), but have not yet withdrawn their objection and responded to the first discovery request.
- 14. On September 3, the Joint Applicants filed objections to Firestone's Second Set of Discovery Requests. In so doing they made several general objections that were not directed to any specific Request for Admission, Interrogatory or Request for

Production of Documents, along with specific objections. The general objections are that the discovery:

- a. does not constitute follow up discovery
- b. is overly broad and unduly burdensome
- c. is outside the scope of the limited intervention granted to intervener Firestone.
- 15. The Joint Applicants also made numerous objections to specific discovery requests including overbroad, unduly burdensome, and relevancy. On a number of occasions they nonetheless indicated that notwithstanding those objections they would respond. The approach taken is not in conformity with the Scheduling Order, which sought only blanket objections at this time. The Joint Applicants' departure from the Scheduling Order has placed an undue burden on me (and hence the Hearing Examiner) to consider all sorts of objections now in a prima facie-like stance rather than as applied, with the substantive responses providing context.
- 16. One might have a modicum of sympathy for the Joint Applicants and their decision to depart from the Scheduling Order and take a kitchen-sink approach to the present discovery requests in light of the ongoing earlier discovery dispute. That dispute, however, centers not on a failure to make early objections (although given the central core of the dispute it is at issue), but on the Joint Applicants' outright repudiation of an agreement it made to respond to an agreed-list of discovery inquiries, including discovery requests where language was modified to accommodate at the request to meet their concerns.
- 17. After the close of business on September 4, the Joint Applicants filed an "amended/corrected" set of objections. Thus, they were not filed effectively until the

very same day that I am required to file this motion. Given the lack of time, and the fact that the Senior Hearing Examiner has yet to accept the September 4 version in substitution, I reproduce relevant portions below of the September 3 version. Where I found obvious errors, I treat them as if the proper words were used when address the Joint Applicants' answers.

Argument

General

- 18. To begin with, it is difficult to articulate with precision why the Joint Applicants' general objections fail because the Joint Applicants' do not detail, for example, which discovery requests they allege do not follow earlier discovery and which discovery requests they claim are outside my allegedly limited intervention. Certainly, the Joint Applicants have to do more than wave the flag.
- 19. That said, I stand on my earlier argument set forth in support of Firestone's First

 Motion to Compel, regarding limited intervention, relying primarily on the fact that

 (a) no limitation was set forth in the grant of my status as a party; (b) no limitation is

 provided in the discovery scheduling order; and (c) even if there was some limitation,

 my requests fall within any such limitation as envisioned by the Joint Applicants.
- 20. Regarding the general issue of whether the second discovery request follows the first set of discovery requests, that is made difficult not only by the lack of particularity of the Joint Applicants' allegation, but by the Joint Applicants' own failure to comply with the first discovery request, failing to comply with both interrogatories and requests for production of documents. Thus, the second set of discovery requests had to be formulated in partial darkness as they attempted to get information on the same

concerns through different means (e.g., requests for admissions) given the Joint Applicants' non-responsive responses or failure to respond to the earlier discovery request.

- 21. The focus of Jeremy Firestone's First Set of Discovery Requests, included:
 - a. Wind general, Interrogatories (I) 1 and 3
 - b. Offshore Wind Power, Request for Documents (RFD) 4(a-h) and RFD 5
 - c. Solar General, I 1 and 3
 - d. Other renewable, I 3
 - e. Renewable Portfolio Standards (RPS)/Renewable Energy Credits (RECs), I 3 and 4 and RFD 4(n-o).
 - f. Wind Production Tax Credit (PTC)/Wind Investment Tax Credit (ITC), RFD 4(q-r).
 - g. Wind and Solar Power's effect on price, Request for Production Documents (RFD) 4(j).
 - h. Transmission and the Grid,
 - i. Grid, RFD 4(i)
 - ii. Smart grid/Microgrid, I 8
 - iii. Cost allocation to transmission, RFD 4(u)
 - i. Energy Efficiency, I 13
 - j. Storage, I 2 and 8
 - k. Electric Vehicles, I 8 and RFD 4(k)
 - 1. Nuclear Power, I 1 and RFD 4(1)
 - m. Natural gas leaks, I 8

- n. Merger Purpose, I 14
- o. Merger discussion I 25-26
- p. Public Interest, I 15
- q. Climate Change, I 5-7, RFD 4(v-w, y, z, aa, bb, cc, and dd)
- r. Exelon Policy positions on climate legislation and EPA rule, RFD 4(z and aa)
- s. Comparative benefits with other mergers, I 16-17 and RFD 6
- t. Market/subsidy
 - i. Wind Production Tax Credit (PTC), RFD 4(q).
 - ii. Wind Investment Tax Credit (ITC), RFD 4(r).
 - iii. Nuclear Power subsidies/non-market basis, RFD 4(p, s)
 - iv. Environmental/water impacts of thermal plants, I 8.
 - v. Loan guarantee, RFD 4(t)
 - vi. Price Anderson Act, RFD 4(s)
 - vii. SO2 market, RFD 4(x)
 - viii. Carbon taxes, RFD 4(w).
 - ix. RGGI, RFD 4(v)
 - x. Market based carbon, RFD 4(y)
 - xi. Social Cost of Carbon, D4(bb)
 - xii. Externality, I 9.
- u. Exelon Generation,
 - i. Existing, I 1
 - ii. Plans for new generation, I 10-12

- 22. The second discovery request falls neatly within the first set, but even if it did not, due process of law would demand some leeway given the extremely tight timeframes established between intervention and the first discovery request deadline (while it is true I could have waited a couple of more days to file the first set, I was faced with the choice of more time or earlier resolution of discovery objections since the blanket objection time limit was tied to the date of filing of the discovery request; in either case, the time period was not adequate to meet due process considerations).
- 23. The Second Discovery Request has 73 Requests for Admissions that seek various admissions that relate to Exelon's positions regarding renewable energy (and in particular development of new renewable energy capacity) and nuclear energy, and how Exelon's very large nuclear fleet's economic performance influences how Exelon approaches these questions. Because the profits (and losses) of its generation arm are variable (as opposed to the profits of Delmarva Power, which are regulated), Exelon is driven to maximize its variable profits.
- 24. Interrogatories 1-2 relate directly to the requests for admission and are thus permissible as well. Interrogatories 4-5, 7-13, 15-16, 21, and 30-32 are permissible for the reasons specified in paragraph 23. To the extent Interrogatory 41 and Request for Production 1 relate to the above they are also permissible.
- 25. On numerous occasions, the Joint Applicants object on grounds such as attorneyclient privilege, work product or confidentiality (at times this is the only objection; at
 other times it is combined with others). Provided the Joint Applicants identify each
 and every withheld communication and document at the time they file timely
 responses to the discovery request and allow in camera review by the Senior Hearing

- Examiner of any disputed documents, no action is needed at this time on the assertions of privilege and confidentiality.
- 26. The claim that the discovery is overly burdensome has no support. Indeed, the Joint Applicants are under control of much of their alleged burden. They can for example either choose to claim that terms such as "market and financial risk," which comes from a subheading of Exelon's own 10k

 (http://www.exeloncorp.com/performance/investors/secfilings.aspx for period ending 2012) filings, that are included in the request for admissions are vague, and thus be required to answer interrogatories 1 and 2, or they can fairly meet the request for admission.
- 27. Likewise, the Joint Applicants can claim that they do not understand markets, non-market policies, subsidies, and the law of supply and demand or they can answer interrogatories 1 and 2. But if they persist, they should not later be heard in rebuttal to the case of Staff, Public Advocate and the Intervernors that they take a different view on these concepts.
- Nor should they be heard to complain that the depositions are of inordinate length.

 Fairly meeting the admissions now will greatly obviate the need to inquire into these subjects during deposition, (might we call such a process the "Delaware way"?) thus resulting in an economy of time the Joint Applicants witness's and the numerous legal counsel and parties that will be in attendance during the depositions.
- 29. That leaves Interrogatory 35, which inquires into a position the Joint Applicants' witness took in her direct testimony. The Joint Applicants are holding out Dr. Tierney as an expert. Dr. Tierney made a statement that the Joint Applicants allege is

- a legal conclusion. Even if one assumes for the sake of argument they are correct and it does call for a legal conclusion, Joint Applicants should still be made to answer given that it concerns a statement made by their own alleged expert witness as part of her direct testimony.
- 30. Should a change in control be approved, the way in which Exelon approaches renewables and nuclear power will have implications for Delaware policy as embodied in Delaware statutes and Commission rules that concern renewables and externalities. Not only may Exelon's positions affect whether these policies are extended, modified or repealed, and thus the amount of in-state carbon-free, generation Delaware has, but as well (a) the price that Delmarva Power ratepayers have to pay for renewables, including wind and solar power, (b) the cost to Delmarva Power ratepayers of renewable energy credits (RECs) and solar RECs (SRECs), (c) whether the REC cost caps are exceeded, which would slow he growth of renewables in Delaware, and (d) the amount of hazardous air pollutants being generated upwind of Delaware and thus the health and wellbeing of Delawareans, which also has real economic costs to Delawareans and Delmarva Power ratepayers.
- 31. My line of inquiry is thus clearly relevant under the public interest standard and relates directly to a central part of the case the Joint Applicants are trying to make in their Application, that is on the benefits and costs of the proposed merger to Delawareans.
- 32. Indeed, should Exelon's advocacy result in the price of a REC increase by only the smallest of amounts, say \$1/MW, and assuming average consumer consumption of 1 MW/month, it will take about six years (factoring in discounting) for the upfront

- payment that Exelon proposes to make to be wiped out. And it is loses for the Delmarva Power ratepayer every year thereafter. If the price of a REC increases by more than \$1/MW, the upfront payment will evaporate much more quickly and the losses will begin earlier.
- 33. In contrast, even a small drop in the spot market price greatly affects Exelon's economic performance, particularly of its nuclear power assets.
- 34. Exelon is particularly concerned about land-based wind power because of the tendency of land-based wind power, which is intermittent, to generate vast quantities of power during the night when demand is low. The problem for Exelon is not wind power per se, but the fact that its large nuclear fleet, unlike more advanced systems in France is not load-following. Absent the ability to easily ramp up and down its nuclear assets, Exelon is finding them to be a 20th century technology, not well adapted to the age of variable generation. Thus, its opposition to renewables, particularly wind power, has more to do with the inadequacies of its own generation than of the attributes of renewables.
- 35. The Joint Applicants may well disagree with the theory I state, but discovery seeks only to uncover evidence that may be relevant to the subject matter of this proceeding; it need not be admissible as long as the discovery appears reasonably calculated to lead to the discovery of admissible evidence. See e.g., Rule 26 of the State of Delaware Superior Court Rules of Civil Procedure. Absent obtaining a protective order prohibiting inquiry into the same, a disagreement does not give the Joint Applicants carte blanche to object and ignore discovery.

- 36. What I have described in paragraphs 29-33 is in sum, what these discovery requests concern.
- 37. I had thought that a confident, large corporation like Exelon that is not hesitant to state its positions that when seeking to move to our small state and become a quasi-public actor would welcome the opportunity to make the case to the Commission that its policies are good for Delaware, will benefit Delmarva Power ratepayers and are consistent with the public interest rather than choose to seek to hide behind its lawyers.

Argument

Specific

38. Below I detail (a) numerous specific discovery requests that have some level of objection and (b) the Joint Applicants' answer/objection along with (c) my specific response to support a compelled answer.

REQUESTS FOR ADMISSION

- 1. There has been an overbuild of wind power capacity.
 - <u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "market based" because that phrase is not defined.
- JF Response: This request for admission (RFA) does not use "market-based"; for the response, I thus assume the Joint Applicants intended "overbuild." The word overbuild in relationship to wind power is taken from a statement made by Exelon CEO Chris Crane at a forum on May 14, 2014 at Resources for the Future (RFF). It can be heard at http://video.rff.org:8000/~rff/140513.mp3. One presumes that the Joint Applicants' legal team is not aware of this statement given their answer. It was included in the RFAs as a matter of economy so that its existence would not need to be established and authenticated at the time of Mr. Crane's deposition.

2. Exelon advocates for market-based approaches to electricity generation.

<u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "market based" because that phrase is not defined. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response: Exelon being a sophistic, large company with much generation and much involvement over the debate of market-based versus non-market based mechanism in energy policy knows well what is meant by "market-based" and indeed a policy on Exelon's website speaks of "competition," competitive electricity markets," "customers are harmed when markets are not allowed to function freely," "competitive markets not taxpayer or ratepayer subsidies," "short-term benefits from distorting the market"

http://www.exeloncorp.com/performance/policypositions/overview.aspx#section_2
This objection is thus one of obfuscation.

3. Exelon opposes subsidies for land-based wind power.

<u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the term "subsidies" because that term is not defined. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response. See RFA Response 2. In further response, Exelon also states that it "has long believed that there is not need to promote subsidies for proven technologies... The federal wind energy production tax credit (PTC) is a prime example of the negative consequences of subsides through which the government picks energy technology winners and losers." http://www.exeloncorp.com/performance/policypositions/overview.aspx#section_2

5. State RPS laws are subsidies.

Answer: See response to 3 above.

JF Response. See RFA Responses 2 and 3.

6. State RPS laws are non-market based approaches

Answer: See response to 2 above.

JF Response. See RFA Responses 2 and 3.

7. RPS laws are a down payment toward a sound climate policy.

<u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrases: "down payment" and "sound climate policy," as neither are defined. As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Response 1.

8. Delaware's RPS is within the State of Delaware's right.

Answer: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase: "within the State of Delaware's right" and, to the extent the Joint Applicant understand this request, calls for a legal conclusion. As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Response 7.

9. Exelon's purpose is to run a business and provide a return to shareholders while providing a product that consumers can use.

<u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrases "purpose is to run a business" and "product that consumers can use" and, to the extent the Joint Applicant understand this request, it appears to call for a legal conclusion as to whether transmission, delivery, energy and the other services that Exelon utilities provide are "products" within the meaning of the law. As such the Joint Applicants can neither admit nor deny.

JF Response. See Response 7.

10. Exelon makes decisions to support or oppose modifications to RPS laws based on its private, commercial interests.

<u>Answer</u>: The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "private commercial interests" as that phase and the terms therein are not defined. Without waving any objection, the Joint Applicants will provide a further response when due.

JF Response. See RFA Response 1. Chris Crane while at RFF states that firms such as his are all taking a "commercial position" and other similar statements in regard to energy policy. Moreover, there is nothing vague or ambiguous about what a private commercial interest is. This objection like others reflects an approach of obfuscation, rather than clarity.

11. RPS laws present a market and financial risk to Exelon.

<u>Answer:</u> The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "present a market and financial risk..." Without waving any objection, the Joint Applicants will provide a further response when due.

JF Response. See RFA Response 2. In further response, the phrase is taken from Exelon's own 10k filing (http://www.exeloncorp.com/performance/investors/secfilings.aspx) for the fiscal year ending in 2012, which has a subheading, "Market and Financial Risks" so presumably Exelon understands what it means.

12. Exelon makes decisions to support or oppose modifications to RPS laws based on its fiduciary obligations to shareholders.

<u>Answer:</u> The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "fiduciary obligations to shareholders" and to the extent it calls for a legal conclusion as to the obligations owed to shareholders. Without waving any objection, the Joint Applicants will provide a further response when due.

JF Response. The term "fiduciary obligations to shareholders" is plain on its face, nor is it vague or ambiguous.

14. RPS is a non-market based approach.

Answer: See response to 2, above.

JF Response. See RFA Response 2

15. Delaware RPS plays favorites.

<u>Answer:</u> The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "plays favorites" and in that it is argumentative. As such the Joint Applicants can neither admit nor deny.

JF Response: Exelon touts its 2020 plan as a central calling card evidencing its credentials on renewables. In 2011, Exelon published a 2011 update. See http://www.exeloncorp.com/assets/newsroom/downloads/docs/bro_Exelon2020_Update_2011.pdf. Exelon is so enamored by the term "playing favorites" that it assigned an energy scenario it analyzed by that term, along with "Big Wind" and "King Coal." If the Joint Applicants mean to imply using that Exelon's use of term "playing favorites" like its use of "Big Wind" and "King

Coal" is argumentative, I agree. However, my use of the term is merely taking Exelon's own term, and seeking clarification as to whether it considers the Delaware RPS as "plays favorites" much like the scenario they pose, allegedly does. As such, the phrase is neither vague or ambiguous or argumentative and the RFA requires a proper answer.

20. Exelon is considering seeking regulatory approval of a transmission line that would require regulators to force ratepayers to finance that transmission line though higher electric bills.

<u>Answer:</u> The Joint Applicants object to this data request on grounds that it is argumentative, accusatory, vague and ambiguous in that it does not identify the "transmission line" or the "regulators" involved and is, in general, too lacking in basic information to enable the Joint Applicants to respond. As such the Joint Applicants can neither admit nor deny.

JF Response. This RFA is neither argumentative nor accusatory. If regulators approve a transmission line and the line is not a merchant line, ratepayers are required to finance the transmission line; if it is a merchant line, they are not. Given that Exelon hopes to hold approximately a quarter of the weighted vote on certain transmission decisions in PJM, I am surprised Exelon would consider this to be argumentative rather than purely factual. Moreover, I am not required to identify a specific transmission line, if Exelon is considering seeking regulatory approval of "a" line, and it is aware that it is, then it must admit the same. For example, news reports indicate that Exelon is "proposing a transmission line of its own, the \$1.6 billion, 420-mile Rite Line... But unlike Clean Line, Exelon is seeking federal approval to finance the project through electric bills.

http://www.chicagobusiness.com/article/20120519/ISSUE01/305199980/helping-hans If that news report is accurate, then Exelon would presumably admit RFA 20.

21. Exelon's transmission project is a non-market transmission project.

<u>Answer:</u> The Joint Applicants object to this data request on grounds that it is vague and ambiguous in that it does not identify the "transmission line" and does not define the phrase "non-market transmission project." As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Responses 2 and 20.

23. The PTC has resulted in more wind power capacity being installed than if the PTC was never adopted.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what would have occurred if the PTC had not been adopted. As such the Joint Applicants can neither admit nor deny.

JF Response. On its website, Exelon indicates that objects to the PTC because "the wind PTC has achieved its goal of jumpstarting the industry and is no longer necessary. More than 13,000 MW of new installed wind capacity were added in 2012, surpassing all other electricity generation sources in new installations for the first time ever. This growth comes on the heels of wind accounting for 35% of new generation over the last five years. The PTC has worked." http://www.exeloncorp.com/performance/policypositions/overview.aspx. Exelon's public position is thus that the PTC "jumpstarted" the industry resulting in 13,000MW in 2012 alone. The RFA is no more speculative than Exelon's statement on its own website and thus Exelon should be required to respond. If on the other hand, Exelon is not made to answer, then if, and when Staff, the Public Advocate and Intervenors put on testimony supporting the same, the Joint Applicants should be held to the position stated here if they are not made to answer.

24. Renewing the PTC will result in more wind power capacity being installed than if the PTC is not renewed.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what will occur if the PTC is not renewed. As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Response 23.

26. The law of supply and demand means that if less wind power capacity is installed the price of electricity to consumers will be greater.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what will happen to the price of electricity if less wind power capacity is installed. As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Response 23. In further response, the answer is non-responsive in that RFA 26 does not ask what will in fact happen, it asks about the meaning of the "law of supply and demand" as applied to wind power and price.

27. If less wind power capacity is built, the law of supply and demand means that the price of RECs will increase.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what will happen to the price of RECs if less wind power capacity is installed. As such the Joint Applicants can neither admit nor deny.

JF Response. See Response 26.

28. If less wind power capacity is built, there is an increased likelihood that the REC price cap under Delaware law will be exceeded.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know whether the REC price cap will be exceeded if less wind power capacity is installed. As such the Joint Applicants can neither admit nor deny.

JF Response. See Response 23. In further response, the answer is non-responsive in that RFA 28 asks, not whether something will in fact occur, but rather whether there is an "increased likelihood"

29. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to pay more to meet the REC obligation embodied in Delaware State Law than if it does not prevail.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what effect, if any, non-renewal of the PTC will have upon the cost of Delaware RPS compliance. As such the Joint Applicants can neither admit nor deny.

JF Response. If and when Staff, the Public Advocate and Intervenors put on testimony supporting the same, the Joint Applicants should be held to the position stated here if they are not made to answer. Presumably, Exelon is a sophisticated company that follows potential changes in the wind PTC and what the renewal or non-renewal of the PTC means for the REC market and when and whether, at what price, and for what duration Exelon should be purchasing RECs. If this RFA is too speculative for Exelon, it is not clear how it can be entrusted with protecting the best fiscal interest of Delmarva ratepayers.

30. If Exelon's position on the PTC prevails, there is an increased likelihood that the REC price cap under Delaware law will be exceeded.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what effect, if any, non-renewal of the PTC will have upon whether the REC price cap will be exceeded. As such the Joint Applicants can neither admit nor deny.

JF Response. If and when Staff, the Public Advocate and Intervenors put on testimony supporting the same, the Joint Applicants should be held to the position stated here if they are not made to answer. Presumably, Exelon is a sophisticated company that follows potential changes in the wind PTC and what the renewal or non-renewal of the PTC means for the REC market and when and whether, at what price, and for what duration Exelon should be purchasing RECs. Presumably, for example, Exelon will not want Delmarva Power to hold RECs it does not need if the cap has been exceeded. If this RFA is too speculative for the Joint Applicants, it is not clear how Exelon can be entrusted with protecting the best fiscal interest of Delmarva ratepayers.

31. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to pay more for electricity.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what happen to the price of electricity if the PTC is not renewed for wind. As such the Joint Applicants can neither admit nor deny.

JF Response. See Responses 2, 29 and 30. If further response, Exelon also states that the wind PTC is "distorting" electricity markets and goes on to refer to the effect of the wind PTC as "Artificially lowering prices."

http://www.exeloncorp.com/performance/policypositions/overview.aspx. How does Exelon know so much about the effect of the PTC on prices that it is able to state the same on its website, but knows so little that it is unable to admit or deny the same?

32. The benefits of electricity from renewable energy resources accrue to the public at large.

Answer: The Joint Applicants object to this request on grounds that it calls for a legal conclusion. This request for admission is a direct quote from the "Renewable Energy Portfolio Standards Act," 26 Del.C. § 351 (b) which provides: "the benefits of electricity from renewable energy resources accrue to the public at large..." Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response: I do not seek a legal conclusion. The question as written is factual and goes to whether Exelon's positions regarding the profitability of its nuclear fleet will result in fewer benefits to the public.

33. Electric suppliers and consumers share an obligation to develop renewable energy resources in the electricity supply portfolio of the state of Delaware.

<u>Answer:</u> The Joint Applicants object to this request on grounds that it calls for a legal conclusion. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response: I do not seek a legal conclusion. The question as written is a factual inquiry and it seeks to determine whether Exelon believes without regard to the law, that electric suppliers have an obligation to develop renewable energy supplies in Delaware. In response to Firestone's initial discovery request (interrogatory 11), Exelon indicated that it had no present intention to develop new generation resources in Delaware. RFA 33 seeks information regarding its beliefs in the responsibility to develop one kind of new generation resource—renewable energy resources—irrespective of Exelon's intentions. Given Exelon's opposition to PTC renewal and its concerns with RPS laws, this inquiry is appropriate.

34. If the Rock Island Clean Energy Line is built, wind power will cost less in PJM than if it were not built.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "wind power" in that the phrase has not been defined, that it is irrelevant to the issues before the Commission in this proceeding, and that it calls for speculation. It is not possible to know what effect, if any, construction of the Rock Island Energy Line will have on the end price of "wind power" in PJM. As such the Joint Applicants can neither admit nor deny.

JF Response: Exelon uses the term wind power in its Educational Center, http://www.exeloncorp.com/powerplants/fairlesshills/educationcenter/exhibits/wind.aspx. As well, on its webpage about its ownership, operation, and development of wind generation, it uses the term "wind power" and then goes on to describe such wind power as "environmentally-friendly power generation to customers"

http://www.exeloncorp.com/energy/generation/wind.aspx, yet here it claims it does not know what the term means. Given Exelon's lack of support for the Clean Energy Line (See Direct Testimony of Steven T. Naumann, VP, Exelon Business Services Company, No. 12-0560 before the Illinois Commerce Commission), http://www.icc.illinois.gov/docket/files.aspx?no=12-0560&docId=200027 (Exhibit 1, Direct Testimony of Commonwealth Edison, filed June 25, 2013) and the fact the Clean Energy Line if built would have the potential to bring 6000MW of wind power to Chicago, Exelon, through its own economic analysis and with knowledge of the law of supply and demand, has presumably analyzed the Clean Energy Line's effect on prices. Exelon's legal counsel can't simply provide a lawyer's response; rather they are obliged to conduct a searching inquiry with their client to ascertain whether Exelon has done the analysis that supports as admission. Finally, the effect of Exelon policies as they relate to generation and transmission that can have effects on prices paid for generation and RECs in Delaware is clearly relevant.

35. If the Rock Island Clean Energy Line is built, Delmarva Power ratepayers will have to pay less to meet the REC obligation embodied in Delaware State Law.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation and that it is irrelevant to the issues before the Commission in this proceeding. It is not possible to know at this time what effect, if any, construction of the Rock Island Energy Line will have on the cost to achieve RPS compliance in Delaware. As such the Joint Applicants can neither admit nor deny.

JF Response. If and when Staff, the Public Advocate and Intervenors put on testimony supporting the same, the Joint Applicants should be held to the position stated here if they are not made to answer. Exelon is a sophisticated company that is following potential changes in the Midwest transmission market (see testimony of Steven Naumann referenced in RFA Response 34) and appreciates what the build of the Clean Energy Line will mean for delivery of wind power to PJM. As well, as a sophistic company that operates in the REC market, it understands the law of supply and demand and the effect of wind development on REC prices. If this RFA is too speculative for the Joint Applicants, it is not clear how Exelon can be entrusted with protecting the best fiscal interest of Delmarva ratepayers. The effect of Exelon policies as they relate to generation and transmission that can have effects on prices paid for generation and RECs in Delaware and thus is clearly relevant.

36. If the Rock Island Clean Energy line is built, there will be less coal generation in western PJM.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation and that it is irrelevant to the issues before the Commission in this proceeding. It is not possible to know at this time what effect, if any, construction of the Rock Island Energy Line will have on the amount of coal generation in PJM. As such the Joint Applicants can neither admit nor deny.

JF Response. If and when Staff, the Public Advocate and Intervenors put on testimony supporting the same, the Joint Applicants should be held to the position stated here if they are not made to answer. Exelon is a sophisticated company that is following potential changes in the Midwest transmission market (see testimony of Steven Naumann referenced in RFA Response 34) and appreciates what its build will mean for the relative markets of coal and wind generation. delivery of wind power to PJM. Indeed, in its 10K (for period ending December 2012) Exelon details as much "Further, in the event that alternative generation resources, such as wind and solar, are mandated through RPS or otherwise subsidized or encouraged through climate legislation or regulation and added to the available generation supply such resources could displace a higher marginal cost fossil plant, which could reduce the price at which market

participants sell their electricity." (emphasis added). See http://www.exeloncorp.com/performance/investors/secfilings.aspx

As well, as a sophistic company that operates in the generation market, Exelon understands the effect of the law of supply and demand on generation prices. If this RFA is too speculative for the Joint Applicants, it is not clear how Exelon can be entrusted with protecting the best fiscal interest of Delmarva ratepayers. The effect of Exelon policies as they relate to generation and transmission that can have effects on prices paid for generation and RECs in Delaware and thus is clearly relevant.

37. If the Rock Island Clean Energy line is built, there will be less coal generation upwind of Delaware.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "upwind of Delaware" and in that it calls for speculation. It is not possible to know at this time what effect, if any, construction of the Rock Island Energy Line will have on the amount of coal generation in PJM. As such the Joint Applicants can neither admit nor deny.

JF Response. See RFA Response to 36.

39. A reduction in demand for electricity reduces market prices for electricity, all other things being equal.

<u>Answer:</u> Joint Applicants object to this request on grounds that it calls for speculation. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response. Exelon is able to provide similar information in its 10K filing for the period ending 2012. See http://www.exeloncorp.com/performance/investors/secfilings.aspx. In pertinent part Exelon states that: "The market price for electricity is also affected by changes in the demand for electricity. Worse than expected economic conditions, milder than normal weather, and the growth of energy efficiency and demand response programs can depress demand. The result is that higher-cost generating resources do not run as frequently, putting downward pressure on market prices for electricity. The continued sluggish economy in the United States has in fact led to a slowdown in the growth of demand for electricity. If this continues, it could adversely affect the Registrants' ability to fund other discretionary uses of cash such as growth projects or to pay dividends. In addition, the economic conditions may no longer support the continued operation of certain generating facilities, which could adversely affect Generation's results of operations through increased depreciation rates, impairment charges and accelerated future decommissioning costs. A slow recovery could result in a prolonged depression of or further decline in commodity prices, including low forward natural gas and power prices and low

market volatility, which could also adversely affect Exelon's and Generation's results of operations, cash flows and financial position."

It is not clear why it is too speculative to answer here, but not too speculative to state in considerable detail in the 10k

40. Energy efficiency is not in the best interest of Exelon's shareholders.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "in the best interest of Exelon's shareholders" and in that it calls for speculation. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response: See Response 39. There is nothing vague or ambiguous about the phrase "in the best interest of Exelon's shareholders." In its 2014 Proxy statement Exelon uses the phrases "best interests of Exelon and its shareholders," "best interests of shareholders," and "best interests of all shareholders." See http://www.exeloncorp.com/assets/newsroom/downloads/docs/Financial/dwnld_Proxy.PDF. This represents another instance in what is a pattern of unmeritorious objections to avoid answering discovery.

42. When new wind power capacity is constructed in western PJM and wind power is subsequently generated, some of the fossil fuel generation displaced is upwind of Delaware.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "upwind of Delaware" and in that it calls for speculation. As such the Joint Applicants can neither admit nor deny.

JF Response. Exelon is able to provide similar information in its 10K filing for the period ending 2012. http://www.exeloncorp.com/performance/investors/secfilings.aspx and as such it is not speculative. In pertinent part Exelon states that: "Further, in the event that alternative generation resources, such as wind and solar, are mandated through RPS or otherwise subsidized or encouraged through climate legislation or regulation and added to the available generation supply such resources could displace a higher marginal cost fossil plant, which could reduce the price at which market participants sell their electricity. This occurrence could then reduce the market price at which all generators in that region, including Generation, would be able to sell their output. These events could adversely affect Generation's financial condition, results of operations, and cash flows, and could also result in an impairment of certain long-lived assets." Further, "Upwind of Delaware" is not vague term; it may be that Exelon does not have sufficient information to make such a determination of what is upwind, but that is an entirely separate reason for not admitting or denying.

44. The PTC has benefited states beyond those that have mandatory RPS.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "has benefitted states" in that it does not identify what the "benefits" are and in that it calls for speculation. As such the Joint Applicants can neither admit nor deny.

JF Response: This is relevant because Chris Crane has stated that the 30 states with [mandatory] RPS laws dictate that there be renewables and that you have 50 states paying a PTC to support 30 states' RPS. See RFA Response 1. The implication of this is that 20 other states do not benefit from the PTC and it is part of Exelon's stated rationale for opposing the PTC renewal. This Request for Admission and other's that follow seek to undermine that rationale. It is relevant because of the negative impact that Exelon and its non-renewal campaign if successful will have on Delaware policies as well as the costs that will be incurred by Delmarva ratepayers and the dirty air they will breathe and the health costs they will incur. The use of the tense "have benefited" make clear that it is not speculative.

45. More than 10,000MW of installed capacity of wind power are in the eight states and two territories that have a voluntary RPS.

<u>Answer:</u> The Joint Applicants object to this request on grounds of relevance and to the extent the Joint Applicants are without information and knowledge necessary to admit or deny.

JF Response: See RFA Response 44. In further response, the Joint Applicants' legal counsel are required to diligently seek out whether this information is held by Exelon in any form prior to indicating they are without information and knowledge. Related to this, if they are still unable to admit or deny, they are required to answer interrogatory 2.

46. More than 3000MW of installed capacity of wind power in the states without voluntary or mandatory RPS.

Answer: See response to 44 above.

JF Response: See RFA Response 44.

47. Siemens Wind Power is headquartered in Florida.

<u>Answer:</u> The Joint Applicants object to this request of grounds of relevance and are without sufficient knowledge or information necessary to admit or deny this request.

JF Response: See RFA Response 44.

48. Next Era Energy Resources is headquartered in Florida.

<u>Answer:</u> The Joint Applicants object to this request of grounds of relevance.

JF Response: It is relevant for the reasons specified in RFA Response 44.

49. General Electric has a wind turbine manufacturing facility in South Carolina.

Answer: The Joint Applicants object to this request of grounds of relevance.

JF Response: It is relevant for the reasons specified in RFA Response 44.

50. The large wind turbine drivetrain testing facility is in South Carolina.

<u>Answer:</u> The Joint Applicants object to this request of grounds of relevance and on grounds that it is vague and ambiguous in that it does not identify who owns or operates "the large wind turbine drive train testing facility in South Carolina." As such the Joint Applicants can neither admit nor deny.

JF Response: It is relevant for the reasons specified in RFA Response 44. The large wind turbine drive train testing facility is likely well known to Exelon, which touts its prowess in the wind power sphere. The Joint Applicants' legal counsel are required to diligently seek out whether this information is kept by Exelon in any form prior to indicating they are without information and knowledge. Related to this, if they are still unable to admit or deny, they are required to answer interrogatory 2.

52. Many nuclear plants in France are load-following.

Answer: The Joint Applicants object to this request of grounds of relevance.

JF Response. The purpose of this RFA is to establish that a country heavily identified and reliant on nuclear power operates its nuclear plants in a way that allows those plants to be more finely tuned to demand than Exelon is able to operate its own nuclear plants. It is nature of Exelon's technology that make Exelon hostile to wind in particular, but solar, and even any new generation as well because they all put downward pressure on prices that Exelon can obtain for energy generated by its nuclear assets. It is thus the nature of Exelon's nuclear assets that drive it to support policies that are not in the best interest of Delaware or Delmarva ratepayers rather than anything inherent about wind power or RPS laws. The RFA is thus relevant.

66. Nuclear power has social costs.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase: "social costs" as that phrase is not defined. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response: Being a major supporter of some climate legislation, it would be very surprising if Exelon was not intimately familiar with the term "social cost" of carbon, and "social costs" more generally. As such, it is neither vague nor ambiguous.

67. Exelon does not pay the fair market value for water for the majority of its thermal generation plants, including nuclear.

<u>Answer:</u> Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase: "fair market share," is argumentative and lacks relevancy to the matters before the Commission in this docket.

JF Response: The RFA asks about "fair market value" not "fair market share." I assume for the purpose of responding that the Joint Applicants meant to use "fair market value." The term in quotes has 1,330,000 results in Google, with Wikipedia, Investopedia, and the Free Legal Dictionary being the first three. It begs credulity that a sophisticated company like Exelon is confused by the vagueness and ambiguity of the term. It is not argumentative and is merely a statement of fact. It is relevant to this inquiry because it goes to the nature of subsidies and non-market mechanisms that prop up thermal power plants and shows the inconsistency in Exelon's stated opposition to policies such as the wind PTC. It goes to the heart of the reason for Exelon's advocacy against such policies and wind and why that advocacy is bad for Delaware.

68. The operation of Exelon's thermal generation plants results in the entrainment and impingement of fish and fish larvae.

Answer: The Joint Applicants object to this request of grounds of relevance.

JF Response. It is relevant for the reasons similar to those specified in RFA Response 67.

73. A purpose of the proposed all-cash transaction for PHI was to be able to exert greater influence on renewable energy policies in states within PJM.

<u>Answer:</u> The Joint Applicants object to this request on grounds that it is argumentative and accusatory. Without waiving any objection, the Joint Applicants will provide a further response when due.

JF Response. One criterion the Commission must consider is whether the change in control is for a proper purpose. As such, it is permissible to inquire into purposes without it being an accusation or an argument; indeed, it is simply an inquiry.

INTERROGATORIES

- 1. With respect to every request for admission which you denied in whole or in part:
 - (a) State the facts that form the basis of your denial.
- (b) Identify each person, including natural person, with knowledge of the facts that form the basis of your denial.
 - (c) Identify any documents that you contend support your denial.
- (d) Identify any documents that may tend to undermine support for your denial

Objections:

- (b) Overly broad, unduly burdensome.
- (c) Overly broad, unduly burdensome, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.
- (d) Overly broad, unduly burdensome, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.

JF Response. This is not an atypical interrogatory following requests for admissions and indeed the Joint Applicants have much control over the extent of the effort required. The more they engage in strategic denial to requests for admissions rather than meeting the substance of the admissions, the more they will need to explain the bases for their failure to admit. To the extent documents are responsive to more than one request for admission, the Joint Applicants can note so by reference to decrease any alleged burden should they so chose. As noted above, to extent documents are privileged, if appropriate description and justification is provided when complete responses are due to the discovery request, the assertion here is not troubling.

- 2. With respect to every request for admission that you give lack of information or knowledge as a reason for failure to admit or deny:
- (a) Identify each person, including natural person, with knowledge related to the request for admission.
 - (b) Identify any documents related to the request for admission.
 - Objections: (a) Overly broad, unduly burdensome, irrelevant.
 - (b) Overly broad, unduly burdensome, vague and ambiguous, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.

JF Response. See JF Response to Interrogatory 1.

4. Of the total MWs of wind generation owned by Exelon, how many MW are at wind project that was commissioned prior to Exelon's ownership and how many MW are at a wind project that was commissioned during Exelon's ownership.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory agencies and entities. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and are overly broad and unduly burdensome. Without waiving any objection, the Joint Applicants will provide wind generation portfolio information, but may not in the exact manner requested herein.

JF Response. The Joint Applicants' claim of unduly burdensomeness here highlights how the Joint Applicants view any inquiry as a burden. It simply requests Exelon to detail how many wind Megawatts (MW) it developed itself and how many it purchased from others. It likely readily has this information and is likely not burdensome at all. Thus, making this claim here effectively undercuts any attempt to make the claim elsewhere. In its Application, Exelon CEO Chris Crane (pp. 21-22) claims that Exelon is an "industry leader" in "adopting" renewable energy technology, as evidenced by the nearly 1,300 megawatts ("MW") of wind generation... This was in response to a question on "expansion of renewable energy sources." If it is relevant for Exelon's CEO to boast about Exelon's wind assets, and within the jurisdiction for the purposes of his direct testimony it is not clear why it is not relevant and jurisdictional now. I am entitled to inquire into what wind energy Exelon purchased and what it "adopted" "developed" or "expanded." What Exelon actually developed is a different (and better) metric and measuring stick of its commitment to new renewable generation than what assets it purchased because it thought it made good business, private profit, sense.

5. Please explain in detail the relationship between Exelon and Nuclear Matters, including any role Exelon played in setting up Nuclear Matters, the extent of funding and control Exelon exercises over Nuclear Matters, and why Exelon uses Nuclear Matters to advance nuclear power policy rather than or in addition to advancing nuclear power itself.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory agencies and entities. The details requested in this interrogatory are irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and are overly broad and unduly burdensome. Without waiving any objection, the Joint Applicants will provide wind generation portfolio information, but may not in the exact manner requested herein.

JF Response. The claims of burdensomeness and over-breadth are without support. I also do not understand the statement regarding wind generation portfolio (perhaps from the prior) as this asks about the entity Nuclear Matters. Whether or not and to what extent Exelon plays in front groups like Nuclear Matters is relevant to whether the change in control of Delmarva Power is in the public interest. Stealth advocacy of policies is troubling for a quasi-public entity such as Delmarva Power. Given the tie between Exelon's advocacy on its own for policies such as the wind PTC and the public interest as established above, there is even greater concern for advocacy through front groups.

7. Please identify and provide a detailed description of any communications or conversations Exelon has had with Pepco during the course of the merger discussions regarding wind power, the wind PTC or RPS laws.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. To the extent attorney client privilege is ultimately asserted as to some communications, provided appropriate documentation and substantiation is made at the time complete responses are due and filed such assertions are not inappropriate. Given the relevancy of the relationship between wind power, the wind PTC and RPS laws and Exelon's nuclear assets to both Delaware policy as spoken through the General Assembly in its laws and the PTC through its rules and orders, and the effect on price that Delmarva ratepayers will bear, understanding what communications occurred between Exelon and Pepco and to the information provided to Exelon and PEPCO's board's is highly relevant. As noted above, the standard is not admissibility, but reasonably calculated to lead to relevant evidence. See also response to Interrogatory 4.

8. Please identify and provide a detailed description of any communications or conversations or information relied on by Exelon's Board of Directors in consideration of the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

9. Please identify and provide a detailed description of any communications or conversations or information relied on by Pepco's Board of Directors in consideration of the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

10. Please identify and provide a detailed description of any communications, including studies, that were not included in materials distributed to Exelon's Board of Directors, but were developed or occurred in support of presentations made, and provided to Senior Management on the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

11. Please identify and provide a detailed description of any communications, including studies, that were not included in materials distributed to Pepco's Board of Directors, but were developed or occurred in support of presentations made, and provided to Senior Management on the merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

Objection: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

- 12. Did the Pepco Board of Trustees take into account in any manner Exelon's positions on any of the following when considering whether to merge with Exelon?:
 - a. The wind PTC
 - b. State RPS laws
 - c. Transmission of clean energy
 - d. The relationship between wind energy and the profitability of Exelon's nuclear power plants.

Objection: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

13. If Pepco's Board of Trustees did take into account in any manner Exelon's positions on the wind PTC, State RPS law, transmission of clean energy or the relationship between wind energy and the profitability of Exelon's nuclear power plants, please identify in detail and explain how and when.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

- 14. Did Pepco's Board of Trustees take into account, consider and/or determine that the merger would be fair to and in the best interests of ratepayers/customers?
 - a. If the answer is a qualified or unqualified "Yes," identify in detail and explain how and when it took such fairness and interests into account.

b. If the answer is anything other than an unqualified "Yes," identify in detail and explain why not.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege.

JF Response. To the extent attorney client privilege is ultimately asserted as to some communications, provided appropriate documentation and substantiation is made at the time complete responses are required and filed such assertions now are not inappropriate.

15. Please identify and provide a detailed description of any communications, including studies, that have occurred as part of the merger integration, including those of the merger integration team, related to wind power, the wind PTC, or state RPS laws.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

16. Please identify and provide a detailed description of any communications, including studies, that have occurred as part of the merger integration, including those of the merger integration team, related to Exelon's generation assets, including, but not limited to its, nuclear power plants.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to number 4.

JF Response. See Response Interrogatory 7.

17. Please identify and provide a detailed description and explain how, if at all, the merger integration team has taken into account customer/ratepayers interests in renewable energy in its integration decisions.

<u>Objection</u>: To the extent this request involves communications protected by the attorney/client privilege.

JF Response. To the extent attorney client privilege is ultimately asserted as to some communications, provided appropriate documentation and substantiation is made such assertions are not inappropriate.

- 21. For each of the following, Exelon identify the percentage generation in MWh/year for each of the past five years of Exelon-owned generation assets
 - a. Nuclear
 - b. Natural gas
 - c. Coal
 - d. Oil
 - e. Hydropower
 - f. Wind
 - g. Solar
 - h. Landfill gas
 - i. Other

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation is subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC"). While RPS compliance matters are within the jurisdiction of the Delaware Commission, the exact percentage of generation owned by any subsidiaries of Exelon is irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome. Without waiving any objection, the Joint Applicants will provide generation portfolio information, but it may not be in the exact manner requested herein.

JF Response. See Interrogatory Responses 4 and 7. In further response, this information is likely readily available to a generator of Exelon's size and sophistication and not burdensome. It also is relevant because megawatt-hours (MWh) paint a better picture of the dominance of Exelon's nuclear assets in its generation portfolio and paint a picture of the lesser contribution of renewables than does the MW numbers that Exelon touts in its application. See again, Direct testimony of Chris Crane in the Application.

- 30. Please identify the total amount of tax credits that Exelon has claimed as a result of the wind PTC:
 - a. Since its inception
 - b. Since it began opposing the wind PTC.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory entities and Federal taxation matters are subject to the jurisdiction of the Internal Revenue Service. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome.

JF Response. See Interrogatory Responses 4 and 7. In further response, this information is likely readily available to a generator of Exelon's size and sophistication and not burdensome. It files its tax returns every year and should be able to pull the information quite easily from its returns. This goes to the issue of the consistency of Exelon's positions on market-based mechanisms and subsidies and the rationale behind its advocacy against the renewal of the wind PTC. It will provide information on the extent to which Exelon profits from policies its condemns.

- 31. Please identify the total amount of tax credits that Exelon estimates it will be able to claim as a result of the wind PTC in the future based on:
 - a. Existing wind projects
 - b. Wind projects under development

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory entities and Federal taxation matters are subject to the jurisdiction of the Internal Revenue Service. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome.

- **JF Response.** See Interrogatory Response 30. In further response, this information is likely readily available to a generator of Exelon's size and sophistication, and presumably was considered when it purchased wind assets and when it developed or is developing others wind projects.
- 32. Has Exelon had any meetings or communications with US EPA regarding the proposed Clean Power Plant rule? If so, please identify and provide a detailed description of those communications, including any communication regarding structuring the final rule to protect the profitability of Exelon's nuclear power plant assets.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory entities and matters regulated by the EPA are subject to its jurisdiction. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome. The details requested in this interrogatory are confidential.

JF Response. See Interrogatory Responses 4 and 7. In further response, Chris Crane in his direct testimony discusses how Exelon is going to help Delmarva Power customers reduce their carbon footprint and how Exelon itself reduced its own carbon footprint. Further, Exelon at one point dropped out of the US Chamber of Commerce because Exelon's supported Climate legislation and the Chamber did not. http://www.nytimes.com/gwire/2009/09/28/28greenwire-exelon-leaves-us-chamber-over-climate-dispute-74577.html. It has since re-united with the Chamber providing funds to it. http://www.publicintegrity.org/2014/01/29/14185/exelon-amends-reports-concerning-contributions-trade-groups. Exelon does however continue to hold itself out as a climate leader. See

http://www.exeloncorp.com/Environment/Strategy/Pages/overview.aspx. I am entitled to inquire

into Exelon's positions regarding the EPA clean power (climate) rulemaking to better understand its re-engagement with the Chamber and to better understand if its motivations relate to the science of climate change or whether it is motivated to protect its bottom-line. Delaware is a low-lying state and climate policy is important to us and Delaware has adopted a number of policies related thereto, including clean energy policies. As well, the Commission has adopted an externality rule for consideration in IRPs. And as I detail, protection of the nuclear profits of Exelon is inimical to the best financial interest of Delaware ratepayers. This interrogatory thus goes to the public interest. If communications are confidential, Exelon can, at the time of timely filing a responses follows the discovery instructions regarding identifying such confidential communications/documents and providing in camera inspection by the Senior Hearing Examner should that be necessary.

- 35. With regard to the direct testimony of Dr. Tierney, p. 7, do you contend that Exelon and PHI did not need to submit the change in control of PHI to the jurisdiction of the Commission?
 - a. If the answer is anything other than an unqualified "No," explain the basis for the response.
 - b. If the answer is anything other than an unqualified "No," quantify the benefit to Delmarva Power & Light customers.

Objection: Calls for a legal conclusion. The requirements of the Delaware Code with respect to approval of a change in control of regulated utilities speak for themselves.

JF Response. Dr. Tierney, who the Joint Applicants are holding out as an expert testified as such, and thus I am able to inquire into a statement in her direct testimony.

41. Identify each person, including natural person, who in a material way participated in, supplied information to, or assisted the person verifying the answers to or signing the answers to admissions, answers to the interrogatories and requests for production of documents, including those person(s) who have provided information for such answers and those persons who are sponsoring an answer, stating with specificity the answer(s) involved.

Objection: Overly broad, unduly burdensome and seeks information that is irrelevant.

JF Response: As noted above, this interrogatory was modeled after an interrogatory that was negotiated in good faith with and by the Joint Applicants' legal counsel. For the reasons expressed above, and in the documents filed in support of my first Motion to Compel, these objections must fall. In further response, it is not clear how it is burdensome to list the individuals who participated in answering this discovery request. It is even less clear how it is a burden to list the person sponsoring the answer. The claim of lack of relevance can only be described as frivolous. Given that we are able to undertake additional discovery, including the taking of depositions, how can it not be relevant who provided the information or who sponsors an answer? How are we to decide if, and if so when, and in what order, etc., to take a person's deposition if we do not know who the person is? We are not required to do the equivalent of a 30(b)(6) deposition under the Federal Rules of Civil Procedure (and even in the federal courts it is an option not a requirement and not a means to avoid discovery requests such as set forth here).

REQUESTS FOR PRODUCTION

1. Produce all documents related to a response to the interrogatory requests.

<u>Objection</u>: Overly broad, unduly burdensome, seeks information that is irrelevant, vague and ambiguous and fails to identify with reasonable particularity the category of information requested.

JF Response: This is not an atypical production request. Further "relating to" is a defined term in the interrogatories. See Exhibit A.

WHEREFORE, for the reasons set forth above, Jeremy Firestone, pro se, request the Senior

Hearing Examiner to:

- 1. Grant this Motion to Compel Discovery
- 2. Order the Joint Applicants to answer fully the afore-mentioned discovery

requests.

3. Grant such other relief as is appropriate and just.

Respectfully submitted,

Jeremy Firestone September 5, 2014

Interlocutory Exhibit 16



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September 11, 2014

BY EMAIL AND FED EX

Re:

Mr. Mark Lawrence Senior Hearing Examiner Public Service Commission of Delaware 861 Silver Lake Boulevard Cannon Building, Suite 100 Dover, Delaware 19904

> Joint Application of Delmarva Power & Light Company, Exelon Corporation, Pepco Holdings, Inc., Purple Acquisition Corporation, Exelon Energy Delivery Company, LLC and New Special Purpose Entity, PSC Docket No. 14-193

Dear Hearing Examiner Lawrence:

In accordance with your instruction via email sent September 9, 2014, enclosed is the Joint Applicants' response to Jeremy Firestone's Motion for Reconsideration, which we have field today.

With respect to your inquiry earlier today concerning a response on Mr. Firestone's second Motion to Compel filed September 5, 2014, the Joint Applicants intend to respond to that Motion by Monday, September 15, 2014.

That will allow for a response after the Joint Applicants' have responded to Mr. Firestone's follow up discovery (which we will do tomorrow, September 12, 2014). As the Joint Applicants' response to Mr. Firestone's Motion for Reconsideration illustrates, it would be most efficient to rule on the Joint Applicants' objections when you also have the benefit of having the Joint Applicants' substantive responses to the objected to discovery requests.

Established 1849

DrinkerBiddle&Reath

Mr. Mark Lawrence Senior Hearing Examiner September 11, 2014 Page 2

Respectfully,

Ju (. Mull Joseph C. Schoell

JCS Enclosure

cc: Mr. Jeremy Firestone

Todd L. Goodman, Esquire Thomas P. McGonigle, Esquire

Interlocutory Exhibit 17

1. There has been an overbuild of wind power capacity.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "overbuild" because that phrase is not defined. Accordingly, Joint Applicants can neither admit nor deny.

2. Exelon advocates for market-based approaches to electricity generation

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "market based" because that phrase is not defined. Without waiving any objection, admitted.

3. Exelon opposes subsidies for land-based wind power.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the term "subsidies" because that term is not defined. Without waiving any objection, the Joint Applicants respond as follows: Admit in part and deny in part. Exelon opposes the extension of the Federal PTC for land-based wind.

4. Exelon opposes the wind PTC.

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RHNP		ľ

A.

Admit.

5. State RPS laws are subsidies.

RESPONSE:

A.

See response to Firestone Set 2 RFA 3. Without waiving any objection, the Joint Applicants respond as follows: Admit that to the extent that the term "subsidies" as used here means above market payments, such state RPS laws could provide subsidies.

6. State RPS laws are non-market based approaches.

RESPONSE:

A.

See response to Firestone Set 2 RFA 2. Without waiving any objection, the Joint Applicants state as follows: Admit in part and deny in part. Admit in part that state RPS laws can lead to above market payment. Deny in part because procurement of RECs are a market based function.

7. RPS laws are a down payment toward a sound climate policy

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrases: "down payment" and "sound climate policy," as neither are defined. As such the Joint Applicants can neither admit nor deny.

Delaware's RPS is within the State of Delaware's right. 8.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase: "within the State of Delaware's right" and, to the extent the Joint Applicants understand this request, calls for a legal conclusion. As such the Joint Applicants can neither admit nor deny.

JOINT APPLICANTS **DELAWARE PSC 14-193** RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 9

9. Exelon's purpose is to run a business and provide a return to shareholders while

providing a product that consumers can use.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use

of the phrases "purpose is to run a business" and "product that consumers can use" and, to the

extent the Joint Applicants understand this request, it appears to call for a legal conclusion as to

whether transmission, delivery, energy and the other services that Exelon utilities provide are

"products" within the meaning of the law. As such the Joint Applicants can neither admit nor

deny. Without waiving any objection, the Joint Applicants state as follows: Exelon runs a

business and provides a return to shareholders while providing energy and services that

consumers can use, but this is not the way that Exelon expresses its purpose. Exelon's mission is

to be the leading diversified energy company – by providing reliable, clean, affordable and

innovative energy products.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 10

10. Exelon makes decisions to support or oppose modifications to RPS laws based on

its private, commercial interests.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use

of the phrase "private commercial interests" as that phase and the terms therein are not defined.

Without waving any objection, the Joint Applicants respond as follows: Admit in part, Exelon

also makes decisions based on, among other things, the customer and public impacts of those

proposed modifications.

11. RPS laws present a market and financial risk to Exelon.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "present a market and financial risk..." Without waving any objection, the Joint Applicants respond as follows: Denied as stated. Admit only that RPS laws impact markets in which Exelon operates.

12. Exelon makes decisions to support or oppose modifications to RPS laws based on

its fiduciary obligations to shareholders.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use

of the phrase "fiduciary obligations to shareholders" and to the extent it calls for a legal

conclusion as to the obligations owed to shareholders. Without waving any objection, the Joint

Applicants respond as follows: See response to Firestone Set 2 RFA 10.

13. Exelon is more interested in protecting the profitability of the large number of nuclear generation plants it owns than in advancing the interests of Delmarva Power ratepayers.

RESPONSE:

A.

Deny. See response to Firestone Set 2 RFA 9 and 10.

14. RPS is a non-market based approach.

RESPONSE:

A.

See response to Firestone Set 2 RFA 2. Without waiving any objections, see response to Firestone Set 2 RFA 6.

Delaware RPS plays favorites. 15.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "plays favorites" and in that it is argumentative. As such the Joint Applicants can neither admit nor deny. Without waiving any objection, the Joint Applicants state as follows: State RPS laws carve out particular types of generation for different treatment.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 16

16. Exelon did not support the Rock Island Clean Energy Line, LLC's request to the

Illinois Commerce Commission to issue RICEL a Certificate of Public Convenience and

Necessity.

RESPONSE:

A.

Exelon (through ComEd) recommended that the Commission dismiss the petition without

prejudice (thus allowing Rock Island Clean Energy Line, LLC to refile) because critical facts

concerning the project are not yet known. Please see the testimony and briefs filed with the

Commission in Docket No. No. 12-0560.

17. The Rock Island Clean Energy Line if constructed would bring wind power to

PJM.

RESPONSE:

A.

Exelon can neither admit nor deny this request. Rock Island Clean Energy Line, LLC has stated that an intended purpose of the line is to bring wind power to PJM but Exelon understands that the FERC has denied Rock Island Clean Energy Line, LLC's request to give a preference to

wind energy.

18. The Rock Island Clean Energy Line is merchant line.

	RESPONSE:
A.	
Admit.	

19. The Rock Island Clean Energy Line is a market-based transmission project.

RESPONSE:

A.

Neither admit nor deny. The term "market-based" is vague and ambiguous.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 20

20. Exelon is considering seeking regulatory approval of a transmission line that

would require regulators to force ratepayers to finance that transmission line though higher

electric bills.

RESPONSE:

A.

The Joint Applicants object to this data request on grounds that it is argumentative, accusatory,

vague and ambiguous in that it does not identify the "transmission line" or the "regulators"

involved and is, in general, too lacking in basic information to enable the Joint Applicants to

respond. As such the Joint Applicants can neither admit nor deny.

21. Exelon's transmission project is a non-market transmission project.

RESPONSE:

A.

The Joint Applicants object to this data request on grounds that it is vague and ambiguous in that it does not identify the "transmission line" and does not define the phrase "non-market transmission project." As such the Joint Applicants can neither admit nor deny.

22.	Exelon's "Big Wind	" scenario evaluated	l in its 2011 up	date of its 2020	planned
was named	"Big Wind" in part to c	reate a negative imp	ression of the v	wind industry.	

	RESPONSE:
A.	
Deny.	

23. The PTC has resulted in more wind power capacity being installed than if the PTC was never adopted.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what would have occurred if the PTC had not been adopted. As such the Joint Applicants can neither admit nor deny.

24. Renewing the PTC will result in more wind power capacity being installed than if the PTC is not renewed.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what will occur if the PTC is not renewed. As such the Joint Applicants can neither admit nor deny.

25. The spot market price of electricity is generally set by the marginal cost of supplying the next unit of electricity in a given hour.

RESPONSE:

A.

Neither admit nor deny, the spot market price of electricity in most organized markets is generally set by the marginal bid.

26. The law of supply and demand means that if less wind power capacity is installed

the price of electricity to consumers will be greater.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible

to know what will happen to the price of electricity if less wind power capacity is installed. As

such the Joint Applicants can neither admit nor deny.

27. If less wind power capacity is built, the law of supply and demand means that the price of RECs will increase.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what will happen to the price of RECs if less wind power capacity is installed. As such the Joint Applicants can neither admit nor deny.

28. If less wind power capacity is built, there is an increased likelihood that the REC

price cap under Delaware law will be exceeded.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible

to know whether the REC price cap will be exceeded if less wind power capacity is installed. As

such the Joint Applicants can neither admit nor deny.

29. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to

pay more to meet the REC obligation embodied in Delaware State Law than if it does not prevail

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible

to know what effect, if any, non-renewal of the PTC will have upon the cost of Delaware RPS

compliance. As such the Joint Applicants can neither admit nor deny.

30. If Exelon's position on the PTC prevails, there is an increased likelihood that the

REC price cap under Delaware law will be exceeded.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible

to know what effect, if any, non-renewal of the PTC will have upon whether the REC price cap

will be exceeded. As such the Joint Applicants can neither admit nor deny.

31. If Exelon's position on the PTC prevails, Delmarva Power ratepayers will have to pay more for electricity.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. It is not possible to know what happen to the price of electricity if the PTC is not renewed for wind. As such the Joint Applicants can neither admit nor deny.

32. The benefits of electricity from renewable energy resources accrue to the public at

large.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it calls for a legal conclusion. This request for admission is a direct quote from the "Renewable Energy Portfolio Standards Act," 26 Del.C. § 351 (b) which provides: "the benefits of electricity from renewable energy resources accrue to the public at large..."

33. Electric suppliers and consumers share an obligation to develop renewable energy resources in the electricity supply portfolio of the state of Delaware.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it calls for a legal conclusion. This request for admission is a direct quote from the "Renewable Energy Portfolio Standards Act," 26 *Del.C.* § 351 (b) which provides: "electric suppliers and consumers share an obligation to develop a minimum level of these resources in the electricity supply portfolio of the state."

34. If the Rock Island Clean Energy Line is built, wind power will cost less in PJM

than if it were not built.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the

phrase "wind power" in that the phrase has not been defined, that it is irrelevant to the issues

before the Commission in this proceeding, and that it calls for speculation. It is not possible to

know what effect, if any, construction of the Rock Island Energy Line will have on the cost of

"wind power" in PJM. As such the Joint Applicants can neither admit nor deny.

35. If the Rock Island Clean Energy Line is built, Delmarva Power ratepayers will

have to pay less to meet the REC obligation embodied in Delaware State Law.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation and that it is irrelevant to the issues before the Commission in this proceeding. It is not possible to know at this time what effect, if any, construction of the Rock Island Energy Line will have on the cost to achieve RPS compliance in Delaware. As such the Joint Applicants can neither admit nor deny.

36. If the Rock Island Clean Energy line is built, there will be less coal generation in

western PJM

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation and that it is irrelevant to the issues before the Commission in this proceeding. It is not possible to know at this time what effect, if any, construction of the Rock Island Energy Line will have on the amount of coal generation in PJM. As such the Joint Applicants can neither admit nor deny.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 37

37. If the Rock Island Clean Energy line is built, there will be less coal generation

upwind of Delaware.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the

phrase "upwind of Delaware" and in that it calls for speculation. It is not possible to know at this

time what effect, if any, construction of the Rock Island Energy Line will have on the amount of

coal generation in PJM. As such the Joint Applicants can neither admit nor deny.

38. Energy efficiency measures reduce electricity demand.

RESPONSE:

A.

Admit in part, deny in part. Some energy efficiency measures, such as certain energy efficient lighting can reduce electricity demand, compared to what the customers demand would be without such measures, all other factors remaining the same. However, the overall demand of the grid is a function of many factors, including economic prosperity, energy prices, public policy and other factors, and it is not possible to conclude that energy efficiency alone would result in reduced electricity demand.

39. A reduction in demand for electricity reduces market prices for electricity, all other things being equal.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it calls for speculation. Without waiving any objection, the Joint Applicants respond as follows: Admit generally speaking, all other things being equal.

40. Energy efficiency is not in the best interest of Exelon's shareholders.

RESPONSE:

Α.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "in the best interest of Exelon's shareholders" and in that it calls for speculation. Without waiving any objection, the Joint Applicants respond as follows:

Deny. Exelon is a leader in offering energy efficiency products, both through its utilities and its Constellation competitive business.

For additional information, please refer to the 2013 Exelon Corporation Sustainability Report at page 37:

Through the ComEd and PECO Smart Ideas® programs and similar BGE Smart Energy Savers Program®, our utilities have helped our customers save more than 14 million MWh of energy over the past three years through home energy audits, lighting discounts, appliance recycling, home improvement rebates and equipment upgrade incentives. For example, through incentives provided by the BGE Smart Energy Savers Program, Towson University in Maryland was able to install high-efficiency lighting fixtures, occupancy sensors and energy efficiency climate controls throughout the university's new 300,000-square-foot College of Liberal Arts building, the new 86,000-square-foot West Village commons facility and a new parking garage. Due to the

incentives provided through BGE's Energy Solutions for Business Program, the university saved

nearly \$125,000 during the construction of the new parking garage, and anticipates more than

\$580,000 in energy savings annually upon completion of the academic and West Village

facilities.

And the 2013 Exelon Corporation Sustainability Report at page 42:

Exelon's retail business unit, Constellation, provides energy products and services to 100,000

business, public sector and government customers and more than 1 million residential customers,

in 46 states to shop for competitively priced electric power and natural gas, and offered

customers innovative products and bundled solutions to meet their energy and energy

management needs. This business provides the platform for Exelon's growth in competitive

markets.

41. When new wind power capacity is constructed in PJM and wind power is subsequently generated, all or most of the generation displaced is from coal, natural gas and oil-fueled plants.

RESPONSE:

A.

Neither admit nor deny. There are many factors that impact what generation is displaced at a particular location or time and Exelon cannot speculate on this broad assumption.

42. When new wind power capacity is constructed in western PJM and wind power is subsequently generated, some of the fossil fuel generation displaced is upwind of Delaware.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "upwind of Delaware" and in that it calls for speculation. As such the Joint Applicants can neither admit nor deny.

43. When new wind power capacity is constructed in western PJM and wind power is

subsequently generated, there are air quality benefits for Delaware.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in that it does

not identify: (a) the amount of "wind power capacity," (b) the amount of wind generation or the

length of time that the generation occurs, (c) whether any other resource is displaced as a result

of the wind generation and if so, (d) where that resource is, (e) what the displaced resource is and

(f) for how long it is displaced. As such the Joint Applicants can neither admit nor deny.

44. The PTC has benefited states beyond those that have mandatory RPS.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase "has benefitted states" in that it does not identify what the "benefits" are and in that it calls for speculation. As such the Joint Applicants can neither admit nor deny.

JOINT APPLICANTS DELAWARE PSC 14-193 RESPONSE TO FIRESTONE

REQUESTS FOR ADMISSION NO. 45

45. More than 10,000MW of installed capacity of wind power are in the eight states

and two territories that have a voluntary RPS.

RESPONSE:

A.

The Joint Applicants object to this request on grounds of relevance and to the extent the Joint

Applicants are without information and knowledge necessary to admit or deny. By way of

further response, and without waiving any objection, the Joint Applicants respond as follows:

Neither admit nor deny. Exelon has not conducted the analysis needed to attempt to admit or

deny this request.

46.	More than 3000MW of installed capacity of wind power in the states without
voluntary or n	nandatory RPS.

RESPONSE:

A.

See response to Firestone Set 2 RFA 45.

47. Siemens Wind Power is headquartered in Florida.

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance and to the extent the Joint Applicants are without sufficient knowledge or information necessary to admit or deny this request.

48. Next Era Energy Resources is headquartered if Florida

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance.

49. General Electric has a wind turbine manufacturing facility in South Carolina

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance.

50. The large wind turbine drivetrain testing facility is in South Carolina.

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance and on grounds that it is vague and ambiguous in that it does not identify who owns or operates "the large wind turbine drive train testing facility in South Carolina."

51. Neither Florida nor South Carolina has an RPS law.

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance and that it would require the Joint Applicants to engage in legal research on behalf of this intervener and to make a legal conclusion concerning the laws of other states.

52. Many nuclear plants in France are load-following.

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance.

53. Exelon's nuclear plants are not load-following.

RESPONSE:

A.

Admit. Exelon's nuclear plants are not "load following".

54. If Exelon's nuclear plants were load-following, Exelon could mitigate harm caused to it by negative LMPs.

RESPONSE:

A.

Neither admit nor deny. Exelon's nuclear plants are not load-following and we cannot speculate on such a hypothetical assumption that assumes that they are.

55. Exelon supports laws and/or policies that subsidize nuclear power.

RESPONSE:

A.

Denied as stated. See response to Firestone Set 2 RFA 56, 61, and 64.

56. Exelon supports the nuclear PTC.

RESPONSE:

A.

Admit there is a nuclear PTC in the Energy Policy Act of 2005 that Exelon has stated publicly it does not intend to utilize the nuclear PTC.

57. The nuclear PTC is a non-market based approach.

RESP	ONSE
KEDI	CINDL

A.

Admit.

58. The nuclear PTC is a subsidy.

RESPONSE:

A.

Admit to the extent that the nuclear PTC is utilized.

59. Nuclear power is a mature industry.

RESPONSE:

A.

Neither admit nor deny. Parts of the industry are established and have operated successfully for many years. However, new technologies are emerging that have led to updates and recent construction of new nuclear generation plants.

60. The Price Anderson Act of 1957, as amended, results in lower prices for nuclear power.

RESPONSE:

A.

Neither admit nor deny. There are many factors that impact this outcome and Exelon cannot speculate on this broad assumption. Prices are determined by the market.

61. The Price Anderson Act of 1957, as amended, subsidizes nuclear power.

RESPONSE:

A.

Deny. Price-Anderson is not a subsidy, but an insurance program under which not a single federal dollar has been paid out and that would facilitate prompt payment of claims in the event of a nuclear incident, avoiding the potential for years of litigation during which claims could go unpaid.

62.	The Price Anderson Act of 1957, as amended, does not treat all carbon-free	
resources equally.		
	RESPONSE:	
A.		
Admit. The Act only deals with nuclear power and does not address other resources.		
SPONSOR:	Exelon Corporation	

63. Accelerated depreciation of new nuclear plants is a subsidy.

RESPONSE:

A.

Admit in part, deny in part, accelerated depreciation is available to all generation sources.

64. Exelon supports loan guarantees for new nuclear plants.

RESPONSE:

A.

Neither admit nor deny. Exelon has supported loan guarantees for new nuclear plants as part of a broader Federal program to promote the construction of the first new nuclear plants in over two decades using first-of-a-kind technologies. In fact, Exelon Generation submitted an application for a loan guarantee with the Department of Energy. With four new reactors under construction by others, Exelon believes the loan program has served its purpose and should be phased out for all technologies.

Loan guarantees for new nuclear plants create an advantage for new nuclear 65.

generation.

RESPONSE:

A.

Exelon objects to this request on the grounds that it is vague and ambiguous in the use of the

term "advantage" in that the term is not defined. Neither admit nor deny. Loan guarantees are

provided under current law for certain situations.

66. Nuclear power has social costs.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the phrase: "social costs" as that phrase is not defined. Without waiving any objection, the Joint Applicants respond as follows: Neither admit nor deny. The term "social costs" is vague and ambiguous. All generation has public impacts.

Exelon does not pay the fair market value for water for the majority of its thermal 67.

generation plants, including nuclear.

RESPONSE:

A.

Joint Applicants object to this request on grounds that it is vague and ambiguous in the use of the

phrase: "fair market value for water," is argumentative and lacks relevancy to the matters before

the Commission in this docket. As such, Joint Applicants neither admit nor deny.

REQUESTS FOR ADMISSION NO. 68

68. The operation of Exelon's thermal generation plants results in the entrainment and

impingement of fish and fish larvae.

RESPONSE:

A.

The Joint Applicants object to this request of grounds of relevance. Without waiving any

objection, the Joint Applicants respond as follows: Generally speaking, admit.

Exelon's thermoelectric generating stations rely on cooling water to produce electricity.

To minimize entrainment and impingement occurrences, Exelon power plants implement a

variety of measures, including reducing the flow velocity of the cooling water withdrawal and

installing equipment to capture aquatic organisms at the intake structure and return them safely

to the water body.

69. The environmental impacts of nuclear power are greater than the environmental

impacts of wind power.

RESPONSE:

A.

Exelon objects to this request on grounds that it is vague and ambiguous in the use of the phrase

"environmental impacts" in that the phrase is not defined and in that the request is

argumentative. All generation has public and environmental impacts and Exelon cannot respond

further due to the vagueness of the request.

70. Exelon supports subsidies for nuclear power.

RESPONSE:

A.

See response to Firestone Set 2 RFA 55.

71. The organization "Nuclear Matters" was set up by Exelon.

RESPONSE:

A.

Exelon objects to this request in that it is vague and ambiguous in the use of the phrase "set up." Without waiving any objection, Exelon admits that it is one of the original supporters of Nuclear Matters.

72. The organization "Nuclear Matters" is controlled by Exelon.

RESPONSE:

A.

Deny. A cross-section of individuals, organizations, and businesses have come together to support Nuclear Matters because of a shared interest in educating the public about the need to preserve the nation's existing nuclear plants and the substantial reliability, economic, and environmental benefits they provide.

73. A purpose of the proposed all-cash transaction for PHI was to be able to exert

greater influence on renewable energy policies in states within PJM.

RESPONSE:

A.

The Joint Applicants object to this request on grounds that it is argumentative and

accusatory. Without waiving any objection, the Joint Applicants respond as follows:

Denied. From the merger announcement: "This all-cash transaction offers \$27.25 per share

of Pepco Holdings stock. The combination of companies will be highly accretive to Exelon's

earnings starting in the first full year after close, and will be cash flow accretive. It also maintains

Exelon's upside to power market improvements while supporting its balanced and integrated

business model. This transaction will create the leading mid-Atlantic electric and gas utility, one that

is diversified across a number of regulatory jurisdictions, with a strong combined credit profile upon

close and significant opportunities for continued improvement over time."

B. **Directed to PEPCO**

74. Pepco supports the Delaware RPS law.

RESPONSE:

A. PHI objects to this request on grounds that it is vague and ambiguous in the use of the term "supports." Without waiving any objection, it is admitted that Delmarva Power, a PHI affiliate, complies with and supports compliance with the RPS law in Delaware.

SPONSOR: William M. Gausman

75. Pepco does not oppose renewal of the wind PTC.

RESPONSE:

A. Denied as stated. PHI has not taken a position on this issue.

76. Pepco supports more wind power capacity regardless of its effect on the profitability of nuclear generation.

RESPONSE:

A. PHI objects to this request on grounds that it is vague and ambiguous in the use of the term "supports." Denied as stated. PHI has not taken a position on this issue.

77. Pepco supports more solar power capacity regardless of its effect on the profitability of nuclear generation.

RESPONSE:

A. PHI objects to this request on grounds that it is vague and ambiguous in the use of the term "supports." Denied as stated. PHI has not taken a position on this issue.

INTERROGATORIES

- 1. With respect to every request for admission which you denied in whole or in part:
 - (a) State the facts that form the basis of your denial.
- (b) Identify each person, including natural person, with knowledge of the facts that form the basis of your denial.
 - (c) Identify any documents that you contend support your denial.
- (d) Identify any documents that may tend to undermine support for your denial.

RESPONSE:

A.

Previously Asserted Objections:

- (b) Overly broad, unduly burdensome.
- (c) Overly broad, unduly burdensome, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.
- (d) Overly broad, unduly burdensome, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.

See objections previously asserted. In response to (a), with respect to each request for

admission that the Joint Applicants denied in whole or in part, the basis for the denial is

included in the response to the request for admission.

SPONSOR: PHI / Exelon Corporation

- 2. With respect to every request for admission that you give lack of information or knowledge as a reason for failure to admit or deny:
- (a) Identify each person, including natural person, with knowledge related to the request for admission.
 - (b) Identify any documents related to the request for admission.

RESPONSE:

A.

Previously Asserted Objections:

- (a) Overly broad, unduly burdensome, irrelevant.
- (b) Overly broad, unduly burdensome, vague and ambiguous, involves documents that would be overly cumulative, work product doctrine and attorney-client privilege.

Without waiving any objection, see objections and responses to requests for admission and response to Firestone Set 1 Q 28.

SPONSOR: PHI / Exelon Corporation

3. With respect to every request for admission that you object to in whole or in part, state the basis for each and every objection.

RESPONSE:

A. With respect to each request for admission to which the Joint Applicants objected, the basis for the objection is included in the response to the request for admission.

SPONSOR: PHI / Exelon Corporation

SET 2 NO. 4

4. Of the total MWs of wind generation owned by Exelon, how many MW are at

wind project that was commissioned prior to Exelon's ownership and how many MW are at a

wind project that was commissioned during Exelon's ownership.

RESPONSE:

A. Exelon has 1300 MW in its wind fleet. Exelon acquired 735 MW that were in production

prior to Exelon's ownership. In addition, Constellation had 70 MW that were in production prior

to the Exelon-Constellation merger. Exelon has built 494 MW at 7 sites commissioned during

Exelon's ownership. There are presently 90 MW under construction at 2 sites scheduled for

commercial operation in 2014.

SET 2 NO. 5

5. Please explain in detail the relationship between Exelon and Nuclear Matters,

including any role Exelon played in setting up Nuclear Matters, the extent of funding and control

Exelon exercises over Nuclear Matters, and why Exelon uses Nuclear Matters to advance nuclear

power policy rather than or in addition to advancing nuclear power itself.

RESPONSE:

A.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware

Commission. Generation and wholesale power issues are subject to the jurisdiction of the

Federal Energy Regulatory Commission ("FERC") and other regulatory agencies and entities.

The details requested in this interrogatory are irrelevant to the matters before the Delaware

Commission in this docket, outside the jurisdiction of the Commission, and are overly broad and

unduly burdensome. Without waiving any objection, the Joint Applicants respond as follows:

Exelon is a supporter of Nuclear Matters. A cross-section of individuals, organizations, and

businesses have come together to support Nuclear Matters because of a shared interest in

educating the public about the need to preserve the nation's existing nuclear plants and the

substantial reliability, economic, and environmental benefits they provide.

	6. Was the Pepco Board of Directors apprised of Exelon's positions on:							
		(a)	The wind PTC;					
	(b) State RPS laws;							
	(c) The Rock Island Clean Energy Line							
		(d)	Exelon's role in Nuclear Matters					
RESPONSE:								
A.	No							
B.	No							
C.	No							
D.	The Join	nt Appli	cants object to this request on grounds that it is vague and ambiguous in the					
	use of the phrase: "Exelon's role in Nuclear Matters." Without waiving any objection, No,							
	the PHI Board of Directors was not apprised of "Exelon's role in Nuclear Matters."							
SPONSOR: PHI								

SET 2 NO. 7

7. Please identify and provide a detailed description of any communications or

conversations Exelon has had with Pepco during the course of the merger discussions regarding

wind power, the wind PTC or RPS laws.

RESPONSE:

Object to the extent this request involves communications protected by the attorney/client A.

privilege and on grounds of relevance and jurisdiction detailed in the response to Firestone Set 2

Interrogatory 5. Without waiving any objections, the Joint Applicants respond: Exelon had no

communications or conversations with Pepco in the course of the merger discussions regarding

wind power, the wind PTC or RPS laws.

SET 2 NO. 8

8. Please identify and provide a detailed description of any communications or

conversations or information relied on by Exelon's Board of Directors in consideration of the

merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or

Exelon's nuclear power plants.

RESPONSE:

A. There were no communications or conversations or information relied on by Exelon's

Board of Directors in consideration of the merger between Exelon and Pepco related to wind

power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

9. Please identify and provide a detailed description of any communications or

conversations or information relied on by Pepco's Board of Directors in consideration of the

merger between Exelon and Pepco related to wind power, the wind PTC, state RPS laws or

Exelon's nuclear power plants.

CONFIDENTIAL RESPONSE:

This response is Confidential and can be found in the Confidential portion of the A.

Delaware Discovery Data Room.

SET 2 NO. 10

10. Please identify and provide a detailed description of any communications,

including studies, that were not included in materials distributed to Exelon's Board of Directors,

but were developed or occurred in support of presentations made, and provided to Senior

Management on the merger between Exelon and Pepco related to wind power, the wind PTC,

state RPS laws or Exelon's nuclear power plants.

RESPONSE:

A. There were no communications or studies that were not included in materials distributed

to Exelon's Board of Directors, but were developed or occurred in support of presentations made

and provided to Senior Management on the merger between Exelon and Pepco related to wind

power, the wind PTC, state RPS laws or Exelon's nuclear power plants.

Please identify and provide a detailed description of any communications, 11.

including studies, that were not included in materials distributed to Pepco's Board of Directors,

but were developed or occurred in support of presentations made, and provided to Senior

Management on the merger between Exelon and Pepco related to wind power, the wind PTC,

state RPS laws or Exelon's nuclear power plants.

CONFIDENTIAL RESPONSE:

A. This response is Confidential and can be found in the Confidential portion of the

Delaware Discovery Data Room.

12	. D	id the Po	epco B	oard o	f Trus	tees t	ake i	nto ac	count	in any	manner	Exelor	ı's
positions of	on any	of the fo	ollowir	ng whe	n cons	sideri	ng w	hethe	r to me	rge wi	th Exelo	n?:	

- (a) The wind PTC
- (b) State RPS laws
- (c) Transmission of clean energy
- (d) The relationship between wind energy and the profitability of Exelon's nuclear power plants.

RESPONSE:

- A. Object to the extent this request involves communications protected by the attorney/client privilege and on grounds of relevance and jurisdiction detailed in the response to Firestone Set 2 Interrogatory 5. Without waiving any objection, the Joint Applicants respond as follows:
 - A. No
 - B. No
 - C. No
 - D. See response to Firestone Set 2 Interrogatory 9.

SET 2 NO. 13

13. If Pepco's Board of Trustees did take into account in any manner Exelon's

positions on the wind PTC, State RPS law, transmission of clean energy or the relationship

between wind energy and the profitability of Exelon's nuclear power plants, please identify in

detail and explain how and when.

RESPONSE:

A. Object to the extent this request involves communications protected by the attorney/client

privilege and on grounds of relevance and jurisdiction detailed in the response to Firestone Set 2

Interrogatory 5. Without waiving any objection, the Joint Applicants respond as follows: Not

applicable.

14. Did Pepco's Board of Trustees take into account, consider and/or determine that

the merger would be fair to and in the best interests of ratepayers/customers?

(a) If the answer is a qualified or unqualified "Yes," identify in detail and

explain how and when it took such fairness and interests into account.

If the answer is anything other than an unqualified "Yes," identify in detail

and explain why not.

(b)

RESPONSE:

A. Object to the extent this request involves communications protected by the attorney/client

privilege. Without waiving any objection the Joint Applicants respond as follows:

The PHI Board considered the impact on customers in conjunction with its analysis of the

likelihood of obtaining all required regulatory approvals, and included in its consideration

Exelon's regulatory commitments outlined in Exhibit B of the merger agreement. The

commitments, included but were not limited to the following:

Commitment to increase system reliability

- Creation of a \$100 million fund (approximately \$50 per customer) to be utilized

across PHI's service territory for customer benefits

- Commitment to continue annual charitable contributions for 10 years at current

levels

Please identify and provide a detailed description of any communications, 15.

including studies, that have occurred as part of the merger integration, including those of the

merger integration team, related to wind power, the wind PTC, or state RPS laws.

RESPONSE:

No communications or studies have been conducted as part of the merger integration A.

process related to wind power, the wind PTC, or state RPS laws.

SET 2 NO. 16

Please identify and provide a detailed description of any communications, 16.

including studies, that have occurred as part of the merger integration, including those of the

merger integration team, related to Exelon's generation assets, including, but not limited to its,

nuclear power plants.

RESPONSE:

A. No communications or studies have been conducted as part of the merger integration

process related to Exelon's generation assets.

SET 2 NO. 17

17. Please identify and provide a detailed description and explain how, if at all, the

merger integration team has taken into account customer/ratepayers interests in renewable

energy in its integration decisions.

RESPONSE:

Α. The merger integration team has not considered any changes to the ways in which the

combined company and its affiliates will meet renewable energy requirements in Delaware.

Delmarva Power & Light will continue to meet its renewable portfolio standard ("RPS")

requirements through processes and procedures approved by the Delaware Public Service

Commission and pursuant to applicable Delaware Laws and Regulations.

With respect to any Delaware RPS obligations that the combined company's subsidiaries

may incur, Exelon will continue to meet such obligations through transfers/retirements of

Delaware RPS-eligible renewable energy credits ("RECs") in the PJM Generation Attributes

Tracking System, and through the payment of alternative compliance payments ("ACPs") for

any shortfall in RECs. These RECs may be acquired through various means including, but not

limited to, purchases from third-party renewable generators, transfers from generation owned by

Exelon subsidiaries, and purchases from other marketers trading RECs in the normal course.

SET 2 NO. 18

18. Considering existing Pepco practices on renewable energy generation, would you

describe the merger philosophy as "retain as is"?

If the answer is anything other than an unqualified "Yes," identify the ways (a)

in which practices would change.

RESPONSE:

A. The Joint Applicants have not considered changes to "existing Pepco practices on

renewable energy generation" in Delaware. While it is possible that some changes may be

appropriate, it is too early in the merger integration process to state what, if any, changes could

occur.

Please also refer to the Joint Applicants' response to Firestone Set 2 No. 17.

SET 2 NO. 19

19. Considering existing Pepco practices on energy efficiency, would you describe

the merger philosophy as "retain as is"?

If the answer is anything other than an unqualified "Yes," identify the ways (a)

in which practices would change.

RESPONSE:

A. The Joint Applicants have not considered changes to "existing Pepco practices on energy

efficiency" in Delaware. While it is possible that some changes may be appropriate, it is too

early in the merger integration process to state what, if any, changes could occur. With respect

to recent legislative changes in Delaware concerning energy efficiency, see the Joint Applicants'

responses to interrogatories propounded by the Delaware SEU which address that recently

passed legislation.

20. Considering existing Pepco practices on demand response, would you describe

the merger philosophy as "retain as is"?

(a) If the answer is anything other than an unqualified "Yes," identify the ways

in which practices would change.

RESPONSE:

The Joint Applicants have not considered changes to "existing Pepco practices on A.

demand response" in Delaware. While it is possible that some changes may be appropriate, it is

too early in the merger integration process to state what, if any, changes could occur.

	21.	For e	or each of the following, Exelon identify the percentage generation in MWh/year					
for ea	for each of the past five years of Exelon-owned generation assets							
		(a)	Nuclear					
		(b)	Natural gas					
		(c)	Coal					
		(d)	Oil					
		(e)	Hydropower					
		(f)	Wind					
		(g)	Solar					
		(h)	Landfill gas					
		(i)	Other					

A.

	2009	2010	2011	2012	2013
Nuclear	93.20%	92.97%	92.31%	81.45%	79.30%
Natural Gas	1.11%	1.14%	1.54%	11.98%	11.73%
Coal	4.75%	5.06%	3.34%	3.92%	4.98%
Oil	0.02%	0.03%	0.02%	0.01%	0.01%
Oil/Gas	0.00%	0.00%	0.00%	0.19%	0.33%
Hydropower	0.92%	0.80%	1.43%	0.78%	1.01%
Landfill Gas	0.00%	0.00%	0.00%	0.15%	0.12%
Other	0.00%	0.00%	0.00%	0.00%	0.02%
Solar	0.00%	0.01%	0.01%	0.04%	0.33%
Wind	0.00%	0.00%	1.35%	1.48%	2.17%

Reflects generation output at proportionate ownership per Exelon 10-K. Does not include ownership through equity method investments (e.g.CENG). Includes results for Constellation business transferred to Exelon effective March 12, 2012.

22. Explain the rationale for Pepco abandoning the integrated utility model with the

sale of Conectiv.

RESPONSE:

The premise of the question is invalid. Pepco Holdings, Inc ("PHI") did not "abandon[] A.

the integrated utility model with the sale of Conectiv." The "integrated utility model" effectively

ended in Delaware with restructuring (also known as "deregulation of supply"). See 26 Del.C.

§1001 et. seq. Delmarva Power was not an "integrated utility" when Conectiv Energy was sold

to Calpine in 2010.

SET 2 NO. 23

23. With regard to the increase in total leaks repaired per 100 miles of main and

service from 2012 to 2013 for Constellation, please indicate the reason for the more than 12

percent increase and indicate whether the increase was statistically significant.

RESPONSE:

A. The increase in the BGE leak rate in 2013 as compared to 2012, is primarily attributable

to the following factors:

• Colder weather in 2013, as compared to 2012, led to an increase in the number of leaks

from cast iron mains on BGE's gas distribution system.

The number of customer-reported leaks increased due to BGE's Public Awareness

Program.

There were an increased number of leaks on outmoded infrastructure.

On an annual basis, BGE evaluates its leak data to determine trends and causes of leaks on the

gas distribution system. Although BGE has not performed an analysis to determine if the leak

rate increase between 2012 and 2013 is statistically significant, the increase is consistent with

trends observed in recent years.

SPONSOR: Calvin G. Butler, Jr.

24. Did Exelon support or oppose Senator Bingham's American Clean Energy

Leadership Act of 2009, S. 1462? Please identify the reason(s) why. Who did Exelon hire as a

lobbyist in regard to the same? What reports if any were prepared for Exelon?

RESPONSE:

A.

Exelon has not taken a formal position, nor did Exelon hire a lobbyist in regard to the same. No such reports exist.

25. Did Pepco support or oppose Senator Bingham's American Clean Energy Leadership Act of 2009, S. 1462? Please identify the reason(s) why. Who did Pepco hire as a lobbyist in regard to the same? What reports if any were prepared for Pepco?

RESPONSE:

A. PHI took no position on this legislation, nor did PHI hire a lobbyist in regard to the same.

No such reports exist.

SPONSOR: PHI

Does Exelon support or oppose Senator Coon's Master Limited Partnerships 26.

Parity Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the

same? What reports if any were prepared for Exelon?

RESPONSE:

A.

Exelon has not taken a formal position, nor did Exelon hire a lobbyist in regard to the same. No such reports exist.

27. Does Pepco support or oppose Senator Coon's bill, Master Limited Partnerships Parity Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in regard to the same? What reports if any were prepared for Pepco?

RESPONSE:

A. PHI took no position on this legislation, nor did PHI hire a lobbyist in regard to the same.

No such reports exist.

SPONSOR: PHI

Does Exelon support or oppose Senator Carper's bill, Incentivizing Offshore 28.

Wind Power Act? Please identify the reason(s) why. Who did Exelon hire as a lobbyist in

regard to the same? What reports if any were prepared for Exelon?

RESPONSE:

A.

Exelon has not taken a formal position, nor did Exelon hire a lobbyist in regard to the same. No such reports exist.

Does Pepco support or oppose Senator Carper's bill, Incentivizing Offshore Wind 29.

Power Act? Please identify the reason(s) why. Who did Pepco hire as a lobbyist in regard to the

same? What reports if any were prepared for Pepco?

RESPONSE:

PHI took no position on this legislation, nor did PHI hire a lobbyist in regard to the same. A.

No such reports exist.

SPONSOR: PHI

- 30. Please identify the total amount of tax credits that Exelon has claimed as a result of the wind PTC:
 - (a) Since its inception
 - (b) Since it began opposing the wind PTC.

RESPONSE:

- A. Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory entities and Federal taxation matters are subject to the jurisdiction of the Internal Revenue Service. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome. Without waiving any objection, the Joint Applicants respond as follows:
- (a) Since its inception: Exelon has claimed approximately \$132 million as a result of the federal wind PTC since the inception of that credit (1992 through 2013). Exelon has taken \$1.5 million of state wind PTCs during that period.
- (b) Since it began opposing the wind PTC: See response to part (a) SPONSOR: Exelon Corporation

- 31. Please identify the total amount of tax credits that Exelon estimates it will be able to claim as a result of the wind PTC in the future based on:
 - (a) Existing wind projects
 - (b) Wind projects under development

CONFIDENTIAL RESPONSE:

A. This response is Confidential and can be found in the Confidential portion of the Delaware Discovery Data Room.

32. Has Exelon had any meetings or communications with US EPA regarding the proposed Clean Power Plant rule? If so, please identify and provide a detailed description of those communications, including any communication regarding structuring the final rule to protect the profitability of Exelon's nuclear power plant assets.

RESPONSE:

A.

Objection: Overly broad, unduly burdensome and irrelevant to the matters before the Delaware Commission. Generation and wholesale power issues are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") and other regulatory entities and matters regulated by the EPA are subject to its jurisdiction. While RPS compliance matters are within the jurisdiction of the Delaware Commission, the details requested in this interrogatory are irrelevant to RPS compliance by Delmarva Power, irrelevant to the matters before the Delaware Commission in this docket, outside the jurisdiction of the Commission, and would be overly broad and unduly burdensome. The details requested in this interrogatory are confidential. Without waiving any objection, the Joint Applicants respond as follows:

Exelon has met with EPA on several occasions itself and as part of other groups to support EPA in its requirement to implement the Clean Power Rule as directed by the Supreme Court.

In meetings, Exelon stressed that its fleet provides around the clock, emissions-free energy that

performs during all weather conditions, including times of severe weather like the polar vortex.

While EPA's proposed rule appropriately recognized the critical role of existing nuclear plants in

enabling the U.S. to meet carbon reduction goals, the nuclear crediting mechanism needs to be

improved to achieve EPA's intended objective. As it finalizes this regulation, Exelon's view is

that EPA should treat zero-carbon resources the same and ensure states do not double-count

these resources. Exelon looks forward to working with EPA and key stakeholders in the coming

months as the rule is finalized.

SET 2 NO. 33

33. Does Pepco contend that Delmarva Power & Light will be able to meet the

reliability commitments that are proposed in this docket if the merger does not occur?

If the answer is anything other than an unqualified "Yes," explain the (a)

basis for the response

(b)

If the answer is anything other than an unqualified "Yes," what Systems

Average Interruption Disruption Index (SAIDI) within the Delaware operational area could be

met by 2020 using the metrics proposed by Exelon?

RESPONSE:

(a) The reliability commitments that are proposed in this docket only apply if the merger is

both approved and consummated. Accordingly, if the merger does not occur, as the

question proposes, then the reliability commitments proposed as part of the merger do not

apply.

(b) See response to (a).

SPONSOR: William M. Gausman

- 34. What is the direct value to Delmarva customers of:
- (a) The reliability improvement projects already announced by Pepco and/or underway
 - (b) The reliability commitments proposed by Exelon

RESPONSE:

- A. The Joint Applicants object to this data request in general on grounds that it is outside of the scope of the issues for which Dr. Firestone was granted intervention status in this docket.

 Without waiving any objection, the Joint Applicants respond as follows:
 - (a) The Joint Applicants have not performed any calculations of the dollar "direct value to Delmarva customers of reliability improvement projects already announced by Pepco and/or underway."
 - (b) Please see Exhibit SFT-5 to the Direct Testimony of Dr. Susan F. Tierney, which provides the value of enhancing reliability commitments to customers of Delmarya.

SPONSOR: William M. Gausman / Dr. Susan F. Tierney

35. With regard to the direct testimony of Dr. Tierney, p. 7, do you contend that

Exelon and PHI did not need to submit the change in control of PHI to the jurisdiction of the

Commission?

(a) If the answer is anything other than an unqualified "No," explain the basis

for the response.

If the answer is anything other than an unqualified "No," quantify the (b)

benefit to Delmarva Power & Light customers.

RESPONSE:

A. The Joint Applicants' object to this request on grounds that it seeks a legal conclusion.

Without waiving any objection, the Joint Applicants respond as follows: No, based on Dr.

Tierney's understanding from Exelon/PHI counsel.

SET 2 NO. 36

36. With regard to the direct testimony of Dr. Tierney, p. 8, explain how

"maintaining" a local presence benefits Delmarva customers over what would result in the

absence of Exelon's acquisition of PHI.

RESPONSE:

A. Dr. Tierney understands that in the absence of the merger, it might be possible for

Delmarva to change its local presence in Delaware. That is the basis on which she stated that

there is a benefit for Delaware, in the form of expectation of continuation of a local presence.

Otherwise, she cannot forecast what may occur in the absence of the merger. Because of the

difficulty in quantifying this benefit, Dr. Tierney has therefore not included the value of this

commitment in her quantified benefits to Delaware, which is therefore conservative.

SET 2 NO. 37

37. With regard to the direct testimony of Dr. Tierney, p. 8, explain how "honoring"

existing collective bargaining contracts and other labor-related actions for at least the first two

years is a benefit rather than a detriment over what would result in the absence of Exelon's

acquisition of PHI.

RESPONSE:

Dr. Tierney understands that in the absence of the merger, it might be possible that A.

existing collective bargaining contracts (and other labor-related actions) may not be able to

continue in place for all of the next two years. That is the basis on which she stated that there is

a benefit for Delaware, in the form of expectation of continuation of existing labor agreements.

Otherwise, she cannot forecast what may occur in the absence of the merger. Because of the

difficulty in quantifying this benefit, Dr. Tierney has therefore not included the value of this

commitment in her quantified benefits to Delaware, which is therefore conservative.

SET 2 NO. 38

38. With regard to the direct testimony of Dr. Tierney, p. 8, explain how "retaining"

low-income assistance programs benefits Delmarva customers over what would result in the

absence of Exelon's acquisition of PHI.

RESPONSE:

Dr. Tierney cannot forecast what may occur in the absence of the merger, although she is A.

not aware of an existing commitment to retain low-income assistance programs. Because of the

difficulty in quantifying the impacts of this new commitment associated with the proposed

merger, she has not included the value of this commitment in her quantified benefits to

Delaware, which is therefore conservative.

SET 2 NO. 39

39. With regard to the direct testimony of Dr. Tierney, p. 8, explain how not seeking

recovery of merger-related costs benefits Delmarva customers over what would result in the

absence of Exelon's acquisition of PHI.

RESPONSE:

A. Although Dr. Tierney cannot forecast what may occur in the absence of the merger, she

understands that over time, there will be synergy benefits associated with the merger and that

such benefits will accrue to customers in the context of future rate cases. Nonetheless, because

of the difficulty in quantifying this benefit, Dr. Tierney has not included the value of this

commitment in her quantified benefits to Delaware, which is therefore conservative.

40. Identify each person you intend to call as a witness (expert or otherwise) in this

proceeding.

RESPONSE:

A. Objection – asked and answered. See response to identical question previously proposed

by this same intervener – Firestone Set 1 Q 27. Without waiving any objection, the Joint

Applicants respond as follows: The Joint Applicants intend to call each witness that has provided

written testimony in support of the Joint Application, subject to possible supplementation in

accordance with the Scheduling Order.

SPONSOR: PHI / Exelon Corporation

SET 2 NO. 41

41. Identify each person, including natural person, who in a material way participated

in, supplied information to, or assisted the person verifying the answers to or signing the answers

to admissions, answers to the interrogatories and requests for production of documents, including

those person(s) who have provided information for such answers and those persons who are

sponsoring an answer, stating with specificity the answer(s) involved.

RESPONSE:

A. Objection: Overly broad, unduly burdensome and seeks information that is irrelevant.

Without waiving any objection, see response Firestone Set 1 Q 28.

SPONSOR: PHI

REQUESTS FOR PRODUCTION

1. Produce all documents related to a response to the interrogatory requests.

RESPONSE:

A. Objection: Overly broad, unduly burdensome, seeks information that is irrelevant, vague and ambiguous and fails to identify with reasonable particularity the category of information requested. Without waiving any objection, see materials produced in response to various requests for production.

SPONSOR: PHI / Exelon Corporation

SET 2 DR 2

2. Produce a copy of the CV or resume of each person who is identified as the individual

sponsoring pre-filed testimony and (b) a witness who is sponsoring pre-filed testimony but did not

include a CV with the pre-filed testimony.

RESPONSE:

A. To the extent the extent the witnesses sponsoring pre-filed testimony are in possession of

applicable CVs, they will be produced. To the extent no applicable CV exists, the prefiled

testimony of each witness contains the background on each witness necessary for supporting the

witness's testimony and the discovery process.

See Firestone Set 2 DR 2 Attachments 1-5.

SPONSOR: PHI / Exelon Corporation